Daily Report

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Further Reportage on 44th Prague CEMA Session

Jakes Meets Ethiopian Delegation Head

LD0507173888 Prague Domestic Service in Czech 1600 GMT 5 Jul 88

[Text] Milos Jakes, general secretary of the CPCZ Central Committee, today met Tesfaye Dinka, candidate member of the Politburo of the Central Committee of the Workers' Party of Ethiopia and deputy chairman of the Council of Ministers of the People's Democratic Republic of Ethiopia, who is leading his country's delegation at the 44th CEMA session.

The Ethiopian guest presented Milos Jakes with a message from Mengistu Haile Mariam, general secretary of the Central Committee of the Workers' Party of Ethiopia and president of the Republic, expressing the Ethiopian people's deep gratitude for the aid granted by Czechoslovakia toward the struggle with the consequences of the exceptional drought. The message also expresses the wish to further develop the relations of friendship and cooperation between the two countries.

Milos Jakes asked the Ethiopian guest to convey to Mengistu Haile Mariam thanks for the message. He also expressed interest in further developing all-around cooperation with Ethiopia, giving assurance of Czechoslovakia's full support in surmounting the obstacles along the road of the Ethiopian revolution.

Marjai Meets Strougal, Zemljaric

LD0707042788 Budapest MTI in English 1746 GMT 6 Jul 88

[Text] Prague, July 6 (MTI)—Jozsef Marjai, deputy prime minister and permanent CMEA representative of Hungary and head of the Hungarian delegation of the 44th session of the CMEA met Lubomir Strougal, president of the Czechoslovakian Government. At the meeting bilateral relations were reviewed including some tasks of bilateral and multilateral cooperation in the CMEA.

Jozsef Marjai had negotiations with Janez Zemljaric, the deputy president of the Yugoslavian Government who is the head of his country's delegation at the 44th CMEA session.

The Hungarian deputy prime minister and minister of trade reviewed the economic-trade relations with Muhammad Khan Jalalar, the minister of trade of the Republic of Afghanistan.

Jozsef Marjai also met several countries' permanent CMEA representatives.

Nemeth Meets Baka

LD0707041788 Budapest MTI in English 1748 GMT 6 Jul 88

[Text] Prague, July 6 (MTI)—Miklos Nemeth member of the HSWP Political Committee and CC secretary met in Prague Wladyslaw Baka, member of the Political Committee of the Central Committee of the Polish United Workers' Party and CC secretary. They discussed the cooperation of the two parties and the reform processes underway in the two countries.

Strougal Receives Dascalescu

LD0607224988 Prague CTK in English 1754 GMT 6 Jul 88

[Text] Prague July 6 (CTK)—Czechoslovak Premier Lubomir Strougal received here today his Romanian counterpart Constantin Dascalescu and Hungarian Deputy Premier Jozsef Marjai for bilateral talks on the occasion of the current 44th CMEA session.

They discussed further development of economic cooperation among the socialist countries.

Messner, Dascalescu Hold Talks

LD0607214488 Warsaw PAP in English 2034 GMT 6 Jul 88

[Text] Prague, July 6—Polish Prime Minister Zbigniew Messner met here today with head of the Romanian delegation to the 44th CMEA session, member of the Executive Political Committee of the Romanian Communist Party CC, Romania's Prime Minister Constantin Dascalescu.

The two reviewed the current state of Polish-Romanian economic cooperation and possibilities of its further development.

Premier Dascalescu invited Premier Messner to pay an official visit to Romania. The invitation was received with satisfaction.

Taking part in the CMEA session, Political Bureau member, PUWP CC Secretary Wladyslaw Baka held talks with Presidium member, Secretary of the Communist Party of Czechoslovakia CC Jozef Lenart. Baka also met with Political Bureau member, secretary of the Hungarian Socialist Workers' Party CC Miklos Nemeth.

Communique Signed

LD0707144588 Prague Domestic Service in Czech 1400 GMT 7 Jul 88

[Text] Following 3 days of deliberations, the 44th CEMA session ended in Prague's Palace of Culture this afternoon. This morning it discussed draft protocols and a communique on the session. At the conclusion of the deliberations the heads of the delegations of the CEMA member countries and Yugoslavia signed a protocol on the 44th session.

The Executive Committee of the council today discussed questions concerning organization of labor in implementing the resolutions approved by the 44th CEMA session.

'Main Parts' of Communique

LD0707150788 Prague CTK in English 1352 GMT 7 Jul 88

["Main Parts in Communique on 44th Session"—CTK headline]

[Text] Prague July 7 (CTK)—The 44th session of the Council for Mutual Economic Assistance (CMEA) "noted that possibilities of the intensification of the national economies of the CMEA member states are still not used to the full", said a communique issued at the end of the session today.

"The need was stressed for accelerated progress towards a qualitatively new technical and technological base and to a road of development not placing big demands on resources."

The document stressed that "the development of cooperation and socialist economic integration and the deepening of international socialist division of labour are becoming an ever more important factor in the political and economic life of the CMEA member states and their socio-economic development."

Economic cooperation of the CMEA member states "does not yet have the required influence on an increase in the effectiveness of their national economies. Specialization and cooperation in production have been developing at an insufficient rate, the growth of mutual trade has slowed down, the foreign indebtedness of a number of countries has increased. The conclusion was made that the solution of the socio-economic tasks faced by the CMEA member states requires to make fuller use of the potentials of economic cooperation," the communique said.

The session approved the collective concept of the international socialist division of labour for the years 1991-2005. The collective concept will become the basis of the coordination of economic policies in spheres linked to mutual cooperation and, as far as interested states are concerned, also in other spheres of socio-economic development.

The long-term programs of the development of multilateral specialization and cooperation in production of the CMEA member states in the sphere of engineering, the radiotechnical, electronic and chemical industries for the period till the year 2000 were also discussed.

The council's session approved special comprehensive programs of multilateral cooperation of the CMEA European member states with Vietnam, the Cuban Republic and Mongolia.

The programs list specific measures to enhance the coordination of assistance to these three states and to extend scientific-technological, production-economic and trade relations with them.

"It was agreed as useful to enhance and extend cooperation and the international socialist division of labour in the full cycle "science-technology-production-marketing" primarily in the engineering and electrical engineering industries, the production and rational use of the most important construction materials, fuel and energy raw material resources, in the development of transport and communications, the production of food and industrial consumer goods, in the social sphere".

"The introduction of new forms and methods of external economic relations between states of the socialist community, based on the initiative and economic incentive of enterprises, corporations and organizations is being extended".

The session stressed that coordination of the national economic plans of the CMEA member states must be the main tool of the implementation of the collective concept and long-term programs.

"Bulgaria, Hungary, Vietnam, the GDR, the Cuban Republic, Mongolia, Poland, the Soviet Union and Czechoslovakia reaffirmed their earlier understanding on gradually creating conditions for mutual free movement of goods, services and other production factors, with the aim to create an integrated market in future, after preliminary study", the communique said.

The heads of the delegations to the session emphasized in their speeches that "the present international situation remains complicated and conflict-ridden" and "the CEMA states regard it as necessary to exert constructive efforts to improve the international situation and achieve further progress in the cause of strengthening security and peace, disarmament, nuclear in particular, and the development of confidence and all-round international cooperation. They are convinced that the transfer of part of the means released in consequence of disarmament to the requirements of economic and social development, including aid to the developing countries, corresponds with the interests of the stability of the world economy and the safeguarding of peace throughout the world."

In view of the worsening economic situation of the developing countries, "the CMEA member states confirm their stand in favour of radical restructuring of the entire system of economic relations in the world on a just and democratic basis, the introduction of a new international economic security of all states," the document said and added that the CMEA states will continue to strive for the promotion and improvement of cooperation with the developing countries, for strengthening of their economic and political independence and for a just solution of the problem of their foreign indebtedness.

The participants in the 44th CMEA session regard it as necessary to expand relations between states with different socio-economic systems, introduce new forms of economic and scientific-technological cooperation, and remove obstacles from the road to mutually advantageous economic relations.

In the concluding part of the communique said [as received] that the session took the view that "normalization of relations between the CMEA and the EEC and

the establishment of official relations between the individual CMEA member states and the European Communities are a substantial contribution to the implementation of the Final Act of the Conference on Security and Cooperation in Europe, and will help the further development of international economic cooperation as a significant factor of economic growth and social progress, improvement of the political climate in Europe and in the world."

Progress in Talks Noted

LD0707161588 Prague CTK in English 1516 GMT 7 Jul 88

[Text] Prague July 7—Frank discussions took place at the session of the Council for Mutual Economic Assistance [CMEA] here July 5-7 and unanimous conclusions were adopted on its basis, CMEA Secretary Vyacheslav Sychev told journalists today.

He noted that one of the main points on the agenda was the discussion of the collective concept of the international socialist division of labour for the years 1991-2005 which determines the strategic aims of the community's development, namely the acceleration of scientific-technological progress, intensification of production, better use of the international division of labour and the development of the community's non-European members. The concept also singles out the main branches of development within CMEA, mainly engineering and electronics, and pays attention to changes in the use of raw materials, social issues and the development of cooperation in environmental protection.

The importance of the concept rests in its defining the main levers of implementing the tasks. It is based on the fact that the former mechanism of economic cooperation of the CMEA member states corresponded to the extensive methods of economic development. At present, when the national economies of the member states embark on the intensive road of development, it is necessary to change the mechanism, Vyacheslav Sychev said.

The secretary said that the CMEA economic policy must also be brought into harmony with the new conditions of cooperation. The role of the economic tools of management must increase and the content of such a basic tool of cooperation as the coordination of national economic plans must be changed. This coordination will continue to be implemented by the central planning bodies of the member states, but enterprises will play a significant role in it.

It is also necessary to extend the monetary functions of the transferable rouble, to push through a dynamic development of direct relations between enterprises on the basis of economic incentives for them, solve a number of legal issues and also the important problems of the creation of prices. CMEA must enter the 1991-1995 plan period with a number of these issues already solved.

The session evaluated the implementation of the comprehensive program of scientific-technological progress of the CMEA member states to the year 2000, and primarily its main priority, the electronization of the national economy, the CMEA representative said. He noted that the session voiced the need to more consistently implement the document in practice and to concentrate forces on the implementation of the individual programs.

Asked about the prospects of establishing an integrated market of the CMEA member states, Vyacheslav Sychev said that "the main task at present is to begin work in this respect". It will be necessary to create prerequisites for this, primarily to extend the functions of the transferable rouble and to distinctly change the present structure of the member states' mutual trade. The communique shows that nine of the ten member states, i.e. Bulgaria, Czechoslovakia, Cuba, Hungary, Mongolia, GDR, Poland, the Soviet Union and Vietnam have agreed to solve these issues. This does not mean that the last country, Romania, cannot join it any time later. The traditional postulate of CMEA activity—the principle of interest—was respected. "No split can be talked about. This is sheer fantasy", Vyacheslav Sychev said. He noted that the experiment of convertability of the national currencies has so far been joined by seven member states which have signed bilateral agreements on using them in their direct contacts.

The secretary said that the establishment of official relations between the CMEA and the EEC will certainly favourably influence mutual trade as well as the solution of other issues, e.g. in ecology, transport, science and technology as well as standardization. The restructuring of the CMEA mechanism of cooperation should also result in the further development of cooperation between the member states and the developing countries. Broad possibilities exist for instance in joint ventures, the secretary noted.

Delegations Depart

LD0707185388 Prague CTK in English 1750 GMT 7 Jul 88

[Text] Prague July 7 (CTK)—The delegations of Bulgaria, Hungary, Mongolia, the German Democratic Republic, Poland, Romania and the Soviet Union left Prague today after attending the 44th session of the Council for Mutual Economic Assistance.

The head of the Soviet delegation, Chairman of the Council of Ministers Nikolay Ryzhkov, remains in Prague and continues his official friendly visit to Czechoslovakia begun on July 4.

The delegation of Yugoslavia, and the delegation of Nicaragua which attended the CMEA session as observer, also left Prague.

The delegations were seen off at Prague airport by Premier Lubomir Strougal and other Czechoslovak officials, and CMEA Secretary Vyacheslav Sychev.

The remaining delegations will leave in the next few days.

WFTU European Commission Ends Sofia Session

AU2906184388 Sofia BTA in English 1754 GMT 29 Jun 88

["For More Active TU Dialogue"—BTA headline]

[Text] Sofia, June 29 (BTA)—The positive changes in international life open new opportunities for activation of the dialogue of the World Federation of Trade Unions (WFTU) with the trade union organizations in Western Europe. Thus can be summarized the opinions expressed at the meeting of the European Commission of WFTU experts that was held here. The importance attached by the trade union organizations that are members of the federation to the deepening of the relations with the West European trade unions was also noted. An important role in this process will be played by the agreements reached in the bilateral talks and in the framework of the international branch unions.

Some aspects of the economic and social condition in the different industrial sectors of the West European countries were also discussed. The participants exchanged opinions on the situation after the congresses of the International Confederation of Free Trade Unions and the European Confederation of Trade Unions.

The participants in the meeting were received by Mr Petur Dyulgerov, chairman of the Central Council of Bulgarian Trade Unions. He dwelled on the role of trade unions in the restructuring in all spheres of life under way in this country.

FDGB's Tisch Receives Socialist TU Secretaries

AU2906174188 East Berlin NEUES DEUTSCHLAND in German 28 Jun 88 p 5

[Excerpts] Athens (ADN)—Harry Tisch, FDGB National Executive Council chairman and SED Central Committee Politburo member, received the secretaries for culture and education of the socialist trade union headquarters for talks in Berlin on Monday [27 June]. The trade unionists had taken part in the 22nd workers festival.

In the talk, Harry Tisch paid tribute to the results of the International Meeting on Nuclear-Free Zones that has developed into the most comprehensive international forum in history for the problems of peace. He said that now that the USSR and the United States have put into force the INF Treaty on the removal of intermediate-range missiles, and both sides work for an agreement on halving their strategic offensive weapons, further steps on the road toward full nuclear disarmament are necessary. To achieve that, the power of the 500 million trade unionists in the world must be used to advantage. Harry Tisch said that on this problem there was full agreement with the trade union representatives from various parts of the world who were present at the meeting. [passage omitted]

At another meeting the secretaries of trade union headquarters of Bulgaria, Cambodia, Cuba, Laos, the Mongolian People's Republic, Poland, Romania, the USSR, Hungary, the CSSR, and Vietnam will discuss the tasks of trade unions in further raising the working people's cultural and educational level, as well as the new demands on ideological and cultural work in enterprises.

Deputy Foreign Minister Gotsev Visits London
AU0407201588 Sofia BTA in English
1927 GMT 4 Jul 88

["Bulgaria-Britain: Both Benefit From Active Dialogue"—BTA headline]

[Text] London, July 4 (BTA)—Sessions of talks at the British Council and with Mr Alan Clark, minister of trade, brought to a close the six-day official visit to Britain by Mr Lyuben Gotsev, deputy minister of foreign affairs of Bulgaria. He conferred with members of the government, with prominent political and public figures and businessmen, with members of Parliament. The tightly packed schedule of the trip came within the framework of the regular consultations held between the two countries' foreign ministries.

The Bulgarian guest was received by Sir Geoffrey Howe, secretary of state for foreign and commonwealth affairs, to whom he renewed the invitation for another visit to Bulgaria. Thoroughgoing discussions on bilateral relations and on the international situation were also held with Mr David Mellor, minister of state at the Foreign and Commonwealth Office.

A positive assessment was given to the promotion of the British-Bulgarian dialogue which, in the shared opinion, has been upgraded to a higher political level with the exchange of visits between the two countries' chief diplomats. One of the most tangible results of this progress has been the vigorous development of bilateral trade and economic ties over the last few years. It was noted that Bulgaria and Britain can expand their consultations to cover a number of questions of bilateral concern, including the efforts to combat drug smuggling and terrorism. Fine prospects were found to exist for contacts between political and public figures in the two countries.

The sides also considered the establishment of relations of equal partnership between Bulgaria and the E.C. and Bulgaria's accession to the General Agreement on Tariffs and Trade (GATT).

At the meeting with the members of the British Government it was emphasized that the Bulgarian economic reform will create conditions for a more comprehensive utilization of the opportunities for economic cooperation with Britain by means of new, more flexible and diverse forms of industrial and trade cooperation. These forms will receive a fresh impetus with the extension of the legal framework of bilateral cooperation.

Favorable prerequisites exist for an upgraded and wider cooperation in the political sphere, where there are still untapped resources.

The overall development of East-West relations was assessed in positive terms, as was the progress of disarmament talks and the prospects of the CSCE process, which are centred on the hope for a meaningful document to be achieved at the Vienna follow-up Conference on Security and Cooperation in Europe. An emphasis was laid on the contribution which each separate country can make to encourage the constructive tendencies in international cooperation.

Atanasov Receives Nicaraguan Foreign Minister
AU0407182488 Sofia BTA in English
1447 GMT 4 Jul 88

[Text] Sofia, July (BTA)—Mr Georgi Atanasov, Politburo member of the CC of the BCP and chairman of the Council of Ministers, today received Mr Henry Ruiz Hernandez, member of the National Directorate of the Sandinista National Liberation Front and minister of foreign economic cooperation of Nicaragua, co-chairman of the mixed Nicaraguan-Bulgarian Commission for Economic and Techno-Scientific Cooperation.

The meeting was attended by Mr Georgi Yordanov, alternate member of the Politburo of the CC of the BCP and minister of culture, science and education, and Bulgarian co-chairman of the commission.

The Bulgarian head of government was briefed on the positive results of the Fifth Session which the Mixed Bulgaro-Nicaraguan Commission completed in Sofia. The sides exchanged information on the essence and progress of restructuring in Bulgaria and on the national reconciliation policy implemented by the Sandinista leadership. Bulgaro-Nicaraguan cooperation, which develops vigorously in the best interests of the two peoples, was highly commended.

Economy Growing 'at Brisker Pace' Than 1987
AU0107151588 Sofia BTA in English
0817 GMT 1 Jul 88

["Bulgaria's Economy in the First Half of 1988"—BTA headline]

[Text] Sofia, July 1 (BTA)—During the first half of 1988, Bulgaria's economy grew at a brisker pace than in the like period of 1987, says Mr Georgi Georgiev, deputy minister of the economy and planning, in an interview for the TRUD newspaper.

This is particularly important, because it was precisely between January and June 1988 that the country's economy has been functioning for the first time under the new arrangements of organisation, management and planning. "The economic reform is gathering speed, and it is moving in the right direction," the deputy minister indicates.

The new planning approach, which was applied in shaping this year's plans, uses a flexible system of economic regulators. The state plan is still the pivot on which the country's economy turns. Under the new conditions, however, this pivot is propped by economic rather than

administrative relations and interests, by a much more efficient motivation mechanism. The relations between the Ministry of the Economy and Planning and the economic organisations are placed on a democratic basis, Mr Georgiev claims. The ministry has concentrated on strategic planning and direction of the country's socioeconomic and techno-scientific development. At the same time, it has at its disposal a large choice of economic levers to coordinate the operation of the economic organisations: prices, taxes, interest rates, customs duties, etc.

The deputy minister of the economy and planning cites some economic performance figures from the first five months of this year: The net output of nonfarm products grew 11.7 per cent, the social productivity of labour rose 10.5 per cent, the gross profit increased 17.6 per cent, and the retail turnover (excluding hard liquor) was up 6.4 per cent.

"Restructuring is obviously bearing fruit. The dynamics of change is in high gear," Mr Georgiev emphasises.

Asked about government contracts, the deputy minister observes that they form a relatively new but also a temporary practice. The assignment of government contracts to industry secures the priority production of certain raw materials and feedstock and canalizes the flow of foreign currency. When necessary, the state provides investment credit, tax concessions, provisional subsidies, and allocation of budgetary funds for research and development.

When the system of contacts and contractual relations goes fully into operation, when conditions are created for manufacturers to be better motivated to produce what the country needs, the necessity of assigning government contracts will decline. That is why we don't see any reason why we should worry that the government contracts will intensify the administrative and directive aspect of the plan, the deputy minister of the economy and planning emphasizes.

Politburo Urges Efforts To Ensure Good Harvest

AU0107155288 Sofia RABOTNICHESKO DELO in Bulgarian 30 Jun 88 p 1

[Report: "In the BCP Central Committee Politburo"]

[Text] The Politburo of the BCP Central Committee heard a report on the work being carried out to collect and properly use the 1988 harvest.

It was stressed that, thanks to the great efforts made by the agricultural workers and improved weather conditions, a rich harvest of autumn-sown crops, vegetables, fruit, and tobacco is now ripening, while abundant grass is growing in the meadows and pastures. However, this immense production and the complex conditions—flattened and weed-infested crops, frequent precipitation, and so on—are creating serious difficulties in bringing the harvest.

In connection with this, the BCP Central Committee Politburo has sent a letter to the party committees and organizations and to the economic, state, and public organs and organizations in which it calls upon them to take measures to further improve the organization that has been set up and fully mobilize all forces to successfully complete the campaign against weeds and plant diseases, to collect the harvest in a timely manner and with a high standard of quality, and to fully use everything that the land has produced.

In self-management conditions, the agricultural brigades will play a crucial role in fulfilling these primary tasks, the letter states. They are entrusted with the great responsibility of using the equipment and labor resources in a highly productive manner. The satisfaction of the market's demands, their own self-financing, and the labor remuneration of the agricultural workers depend on the work of the above bodies. A great standby for completing the agricultural operations in good time is the formation of temporary piecework groups, mainly through attracting labor resources from the other branches.

It is particularly important for the economic and state organs to take measures to ensure the complete collection and storage of the grain crop, giving priority to the timely fulfillment of the purchasing assignments set by the state.

Collecting the harvest must become a cause for the entire population in each and every municipality and township, the letter stresses. An active contribution must also be made by the other branches that have the obligation to provide material resources for agriculture. The timely collection of the harvest, with a high standard of quality, and its full use depend on the active participation and personal example of the Communists and on the way they work with the people.

During these responsible days in the fields, an especially important role is played by the work of the farming societies and the Fatherland Front, trade union, and Komsomol organizations in ensuring the mass participation of the entire working population in collecting the harvest in a timely manner and with a high standard of quality.

Foreign Ministry Statement on Airbus Incident

AU0807141588 Prague RUDE PRAVO in Czech 5 Jul 88 p 7

[Unattributed report: "Indignation in the CSSR"]

[Text] Prague—The spokesman of the Czechoslovak Ministry of Foreign Affairs has issued the following statement in connection with the downing of the Iranian aircraft:

The CSSR resolutely condemns the totally unjustifiable U.S. attack on the Iranian civilian aircraft in the Persian Gulf. This act of ruthless violation of the basic norms of international law is a direct consequence of the escalating U.S. military presence in the Persian Gulf.

The CSSR fully supports the efforts undertaken by the UN Security Council to end the conflict between Iraq and Iran. It has also welcomed the adoption of UN Security Council Resolution No 589 (of 20 July 1987) and expressed support for the efforts of Javier Perez de Cuellar, UN secretary general, to obtain its implementation. The U.S. military acts against Iranian civilian targets contradict Point 5 of the UN Security Council Resolution mentioned here. This creates a serious danger that the military conflict will be exacerbated even further, with unimaginable consequences both for the states in the area and for the whole world. The downing of the Iranian civilian aircraft by a U.S. Navy ship underscores the urgent demand for a withdrawal from the area, of military ships belonging to foreign states as an important condition for implementing the UN Security Council Resolution on the settlement of the Iraqi-Iranian conflict. Like the entire world public, the Czechoslovak people feel profound indignation over this inhuman act of U.S. Navy and express their feeling of deep compassion with the surviving relatives and all Iranian people.

'Lesson Taught by Tragedy'

AU0807141888 Prague RUDE PRAVO in Czech 5 Jul 88 p 7

[Milan Madr commentary: "Lesson Taught by the Tragedy"]

[Text] From the moment when the United States began rapidly and extensively escalating its military presence in the Persian Gulf, the world public (but even the U.S. Congress itself) has been pointing out that this course is both dangerous and risky. Neither American warships, nor the vessels of American allies were at any time capable of providing for safe navigation in that hot sea, that wet stage of the Iranian-Iraqi conflict, although this was the primary reason given by them for infiltrating the area. Their only achievement has been to increase tension. The extremely serious risks of their lasting interference became apparent when the Sunday [3 July] tragedy occurred. The Iranian civil aircraft that was shot down, and the almost 300 dead, are the terrible price paid by innocent beings for American arbitrariness.

The development of American actions testifies to their obvious escalation—from attacks on military targets to such economic targets as platforms for crude oil extraction and to civilian aircraft.

The absurd and unacceptable nature of this entire tragic affair is enhanced by the fact that the two missiles were launched by the ships of a country lying thousands of kilometers away from the Persian Gulf, in order to clear the skies of an aircraft of a state lying on the shores of this Gulf, which was flying within a regular corridor.

There can hardly be more of a warning and cogent proof than this tragedy of criminal irresponsibility and hazard—proof that the presence of the U.S. Navy in the Persian Gulf serves no good purpose (except U.S. hegemony-seeking intentions). In fact, the United States has never made it a secret that it wishes to (and some say must) have this entire area under its control, both today and in the future. The entire American fleet is in the area for precisely this purpose, and no other. Thus the dead from the Iranian Airbus are, in the true sense of the word, the victims of old/new American efforts to play self-styled gendarme in many places in the world.

President Reagan expressed profound regret over the incident. However, the question crops up: Has the United States not been involved with remarkable frequency in such and similar tragedies during the last few years? Five years ago the CIA staged a provocation with a South Korean aircraft, guided by it (as was irreversibly proved by facts published by experts, particularly those from overseas) into the Soviet air space in the Far East, which is of extreme importance for the USSR's defense. The U.S. Stinger missiles, delivered by the United States to Afghan and Angolan counterrevolutionaries, have already been used by each of these countries to shoot down several civilian aircraft (their victims go into hundreds). However, this has never made Washington regret it. Those who coldly zeroed in on the civilian aircraft and pushed the button continue to remain on U.S. payrolls and supply sheets.

However, the shooting-down of the Iranian aircraft should become a new incentive for energetic efforts to put an end to the Iranian-Iraqi armed conflict, so that the destructive thunder of arms in that area finally ceases, and the high waves of hatred calm down. Such a desirable development would, inter alia, deprive the United States of a pretext for meddling. However, nobody can ever release it from responsibility for the mass assassination on Sunday [3 July].

Delegation Head Kucera on Talks With U.S.

LD0207102788 Prague CTK in English 2015 GMT 1 Jul 88

[Text] New York July 1 (CTK correspondent)—"The United States too is interested in a dialogue with Czechoslovakia and its representatives", Bohuslav Kucera,

head of the Czechoslovak parliamentary delegation to the USA, told CTK correspondent here Friday.

He said that during talks in the U.S. Congress, the two sides followed up a dialogue, held during the visits of U.S. congressmen to Czechoslovakia in the past few years. As to the talks with U.S. Administration officials, the Czechoslovak side has acquired new experience, and had the possibility to acquaint the U.S. partners with Czechoslovakia's view on current international topics. The talks took place in the light of great historical events, especially the Moscow Soviet-U.S. summit.

The Federal Assembly deputy chairman further pointed out that the Czechoslovak delegation gained a better idea of the U.S. partners' opinion of the development in Czechoslovakia, the restructuring and the development of socialist democracy.

Nevertheless, he said the talks were controversial in many directions, and showed that there is often a lack of knowledge of the real situation in Czechoslovakia, though the Americans know a lot about Czechoslovakia's history and realize its importance in central Europe.

Bohuslav Kucera said that the talks started during this visit should be continued in the future.

USSR's Ryzhkov Meets With Leaders 7 Jul

Holds 'Private' Talks With Strougal

LD0707185688 Prague CTK in English 1801 GMT 7 Jul 88

[Text] Prague July 7 (CTK)—Premiers Lubomir Strougal of Czechoslovakia and Nikolay Ryzhkov of the Soviet Union met tonight for private talks which followed up the discussions the two countries' government delegations held on Monday.

The two premiers discussed the development of commercial, industrial and scientific-technological cooperation of their countries, and stressed the need to expand direct contacts between enterprises, corporations and institutes, the founding of joint ventures and other forms of economic cooperation.

Lubomir Strougal and Nikolay Ryzhkov dealt with the results of the 44th CMEA session which they described as important progress in the restructuring of the integration mechanism towards real division of labour in preparations for the creation of an integrated market of the socialist states. They appreciated the businesslike, critical and at times polemic spirit of the CMEA session.

They exchanged views on the present international situation and on progress in disarmament. They dealt in particular with questions of peaceful cooperation in Europe and confirmed their governments' interest in a successful ending of the follow-up meeting in Vienna.

Meets With Adamec

LD0707204288 Prague CTK in English 1924 GMT 7 Jul 88

[Text] Prague July 7 (CTK)—Soviet Communist Party Politburo member and Premier Nikolay Ryzhkov met today with Czechoslovak Communist Party Presidium member and Czech Premier Ladislav Adamec.

In a cordial comradely discussion, attended by Soviet Ambassador Viktor Lomakin, they spoke about the possibilities of further promoting mutual cooperation along party and state lines and about the application of the conclusions of the 44th CMEA session in the conditions of the Czech Socialist Republic.

Ladislav Adamec informed the guest of the experience of the national government in the restructuring of the economic mechanism and in democratization, as well as of problems faced in the implementation of the conclusions of the 7th and 9th sessions of the Czechoslovak Communist Party Central Committee.

He highly praised the international importance of the Soviet Communist Party conference and pointed out the topical significance of its impulses in implementing the basic changes in the political, economic and spiritual life in this country.

The Soviet premier was particularly interested in experience from the restructuring of state bodies, the introduction of a new economic mechanism in the central bodies and enterprises, and in the views of the working people on these issues.

Charter 77 Activists Assess Reforms

AU0707191888 Vienna Domestic Service in German 1620 GMT 7 Jul 88

[Raimund Loew report]

[Text] The atmosphere has changed. The deadlock of paralysis has been overcome. All Charter 77 members we interviewed agree on this. Milos Hajek, historian and current spokesman of the civil rights movement, says that this change started already before the change of leadership from Gustav Husak to Milos Jakes last year. Official politics put economic reforms into the foreground. Hajek, however, considers something else more important.

[Begin Hajek recording] There have also been changes outside the economy—the climate has changed. Already during the second half of 1986, public interest in politics increased. This was seen, for instance, in the sales of newspapers. The newspapers, which in the past remained in the kiosks until evening, were suddenly sold out in the morning. The people have also started to speak more freely. This does not mean that the fear has already disappeared, but it has decreased a bit. [end recording]

For years CSSR society had reacted with passivity and disinterest in public affairs to the normalization after the suppression of the Prague Spring in 1968. Modest but steady economic improvement favored the tendency toward introspection and privacy. The impulse for change came from the outside, says Charter 77 spokesman Milos Hajek.

[Begin Hajek recording] The influence of Gorbachev's policy must not be underestimated. It is certain that in the past there was some tension within society—Charter 77, for instance, has existed already for 11 years—but only the (?reforms) in Moscow have given hope to broader circles. [end recording]

Last year the political revival also spread to the official press. Cultural magazines are publishing articles that would have been impossible in the past, and no CSSR citizen who is interested in politics misses MLADY SVET, an official youth magazine. Journalists are writing much more freely than before. Even the party organ RUDE PRAVO has at times again been interesting and readable, Prague's inhabitants have noted with surprise.

But the most surprising phenomenon of the last months was the increase of samizdat publications. Informed circles say that there are about 100 all over the country, more than ever before. Says Milos Hajek:

[Begin recording] [Hajek] Today there are a great number of samizdat papers, and they are mostly published by young people.

[Loew] Samizdat papers—that means, papers produced with typewriters and carbon paper?

[Hajek] Not only with typewriters. That is how it started. But now we already have some better methods—rotary printing, gelatin printing, and even xerox machines. [end recording]

Petr Uhl, publisher of the biweekly Charter 77 information brochure and well-known within Charter 77 for his leftist-socialist, Trotskiyist ideas, says:

[Begin Uhl recording, in French with superimposed German translation] In particular the young people today are willing to risk much more than before. This is noted in various fields, and first of all, among Catholics. The great signature campaign for the separation of church and state was also supported by Protestants, atheists, and socialists. I, too, signed the petition. But it is not only among the Catholics that something happens. An entire scene has developed around cultural areas, a scene that we call the underground. This is a musical scene, but books are also published; people write poetry and deal with the visual arts. All this takes place outside official institutions. An ecological movement is starting to develop, and a peace movement has been active for some months. Together with Charter 77 these peace groups staged a peace seminar in Prague in mid-June, which was broken up by police with much noise. [end recording]

Dozens of peace activists from Great Britain, the FRG, the Scandinavian countries, and the United States were expelled by CSSR police at that time. The hard core of Charter activists spent 1 or 2 days under arrest. Even Premier Lubomir Strougal told Austrian journalists that this police action was exaggerated. Nevertheless, the civil rights movement understands the breaking up of the peace seminar as a signal of the authorities that, in spite of all promises of democratization from above, larger, unofficial gatherings are not being tolerated. But for Petr Uhl the skyrocketing number of samizdat publications is the clearest sign of the new climate.

[Begin Uhl recording] At present we not only have more than 100 samizdat publications, but a dozen magazines are even published with the full name and address of the editors. Circulation varies from 10 to 1,000 copies. The most important publication is LIDOVE NOVINY, the People's News, a serious monthly published by experienced journalists. [end recording]

LIDOVE NOVINY is cleanly printed and published in A-4 format. The name "People's News" wants to remind readers of the tradition of a liberal paper that was published under the same name in Prague during the two world wars and then until 1948.

Not far away from Vitezslav Square, in the small apartment of Petr Uhl and Anna Sabatowa, a former Charter 77 spokeswoman, describes the latest edition of LIDOVE NOVINY.

[Begin recording] [Sabatowa] It is intended for broad circles. On the front page there is an interview with Academician Sakharov by Milan Urban.

[Loew] He was telephoned from Prague?

[Sabatowa] Yes, from Prague. Urban met him in December, when he attended the human rights conference in Moscow. This was the official human rights conference and there he met Academician Sakharov.

[Loew] What else can be found in your magazine? This is the May copy that we have here?

[Sabatowa] Yes, yes. Here is an article about the demonstration for religious rights in Bratislava in March. Here is a press report about Pavel Wonka's death, who died in prison at the end of April. He was a political prisoner who died in prison at the end of April. And then there are cultural articles, articles from abroad about Moscow, about the Middle East, reports from Soviet

Uzbekistan, then the discussion of the Polish Sejm—that is the Polish parliament—about filling up the white spots in the history of the relations between the Soviet Union and Poland.

[Loew] Katyn?

[Sabatowa] Yes, Katyn.

[Loew] Is it possible to estimate how many people read this magazine?

[Sabatowa] No. As far as I heard the first edition has 300 copies. I do not know how many copies of the first 300 have been bought by the people, but every copy is read by many other people, too, by thousands, perhaps tens of thousands. This magazine has existed for half a year, (?it is not officially registered). It is perhaps the most famous and best-known magazine—among ordinary people—that I know. The people ask for this magazine. [end recording]

But not only in Prague, the traditional abode of dissidents, samizdat publications are flourishing.

[Begin recording] [Sabatowa] Now we have the first edition of a magazine from Brno, REVUE 88, which is published by the students of Brno University. This here is the first edition. It shows who the editors are—it is very interesting that the editors are given.

[Loew] With their full name and full address?

[Sabatowa] With their full name and address. All of them study at the university. This has no precedence in the past 20 years. There are eight names with addresses from four faculties. Already the first article makes it clear that they are independent. First, there is the introduction and they give the reasons why they want to make this publication. Then there is an article about the unofficial groups in the Soviet Union, then there is a report about an attack by the state organs on a visitor of the Topaz Club in Brno. There was a rock concert in this club and the people who attended this concert were treated badly by police.

[Loew] And so far nothing has happened to the members of the editorial group who admit to participating in the publication of a samizdat paper?

[Sabatowa] No, this is something totally new. And I know that they sent a copy to the university Rectorate and they are now waiting for any reaction.

[Loew] It is to be hoped that nothing will happen to them.

[Sabatowa] Let us hope so. [end recording]

Even a samizdat video magazine is being produced unofficially, a video tape that reports on the unofficial cultural life.

At the same time as this variety of initiative from below is taking place, the Charter activists note increased pressure by the authorities in recent times. Says Charter 77 spokesman Milos Hajek:

[Being recording] [Hajek] Last year many events that were attended by 20, 30, or 50 people were tolerated by the police. Since the end of last year all such events and gatherings have been broken up by police.

[Loew] How has the relationship of the authorities with Charter 77 developed? What about police repression?

[Hajek] Repression—or we can say, the relationship—is not as bad as 6 of 7 years ago, but it is a bit worse than over the past 2 years. At that time the authorities were uncertain. For 2 years there was no case of Charter spokesmen being imprisoned for 2 days. This year it has already happened twice.

[Loew] You have already been imprisoned twice? Why?

[Hajek] The first time was at the beginning of March, when a Catholic pilgrimage took place—even though I am an atheist. I was not the only atheist who was arrested, Protestants were also arrested. The second time was during the peace seminar. [end recording]

Petr Uhl thinks that this increased repression is a result of the fear of the authorities of the new unconcernedness of the independent groups.

[Begin Uhl recording] Charter 77 and other groups have started to organize street demonstrations—for human rights last December, and for Romania this February. During the funeral of Pavel Wonka, the political prisoner who died in prison, there was an attempt to stage a demonstration in the street. Everything is totally new to us. Police have always intervened immediately and prevented everything. In particular young people are harassed by police. A young punk called Petrovitsky was recently sentenced to 8 months in prison. But what has worried us most was a verdict in Slovakia. There Evald Polansky, a Catholic activist, was recently sentenced to 4 years in prison on charges of samizdat activities. He published a magazine and several books. Such a verdict can happen to everyone of us here in Prague. And we wonder whether there is not some purposeful policy against the new independent groups and against Charter 77 behind that. [end recording]

Nevertheless, the reform-minded language of the CSSR leadership is impressive to the foreign observer. They talk about decentralization, reducing bureaucracy, more efficiency in the economy and self-administration of the enterprises. Only recently, the party leadership made some spectacular statements supporting Gorbachev's

renewal and expressly talked about the need for political reforms. But this language is used by those who brought about the normalization of the past 20 years and the Charter 77 members are skeptical. Rudolf Slansky, economic expert and son of Rudolf Slansky, the former Communist Party secretary who was executed at the great Stalinist show trial in Prague at the beginning of the fifties, says:

[Begin Slansky recording in English with superimposed German translation] Yes, I think that most of these statements are purely rhetoric. Today's regime does not want real changes, but because there are reforms in the Soviet Union and the basis of their power lies in the Soviet Union, they, too, have to talk about reforms. They hope that this is enough, that the reform movement in the Soviet Union will disappear soon, and that then they will be able to continue as before. [end recording]

Nevertheless, event the official CSSR attitude toward the Prague Spring has changed. Says Milos Hajek:

[Begin recording] [Hajek] Today it is said officially that the plenary session of January 1968, that is, the beginning of the Prague Spring, was something positive.

[Loew] That was when Dubcek was elected general secretary.

[Hajek] Yes, first secretary. And they even say that the action program was also positive within certain bounds. Previously, the official document—The Lessons from the Crisis—categorically condemned the action program.

[Loew] What does 1968 mean for CSSR society today? Is this a memory of the remote past or is this something that is political reality?

[Hajek] It is nearer to political reality than something that only belongs to history.

[Loew] Do you think that the anniversary of the Soviet invasion in August will be of special importance?

[Hajek] It is of special importance. One can feel this from the fear of the authorities. But I do not expect that there will be any mass activities. [end recording]

The current reform policy, Milos Jakes recently said in a interview for the PCF paper L'HUMANITE, is only the continuation of the way begun in 1968, but with other means and under the leadership of a strong and unified party.

Rudolf Slansky, who, as an activist of the Prague Spring, was expelled from the CPCZ in 1969 like 500,000 other Communists, does not see anything positive in today's leadership taking the 1968 movement to its heart.

[Begin Slansky recording] Yes, it is very interesting, but it is only rhetoric, because in practice it is not a continuation of the Prague Spring but the exact opposite. The Prague Spring was a movement from below and from above, which brought real changes to the political structures of society. The economic, cultural, and scientific life in the country changed. The reform movement for socialism with a human face was supported by all strata of society. Today one cannot claim this at all. Today's reformers are people who buried the previous reforms and in our country no one believes that they are sincere about their reform policy. [end recording]

But one thing is clear: Today the CSSR leadership is no longer monolithic. The tensions between the various groups are openly admitted even to foreign journalists. Says Rudolf Slansky:

[Begin Slansky recording] In my opinion, there are two groups in today's leadership: a conservative group around Jakes, Indra, and Hoffmann, and a second group that is in favor of reforms. Perhaps for cautious, slow reforms, but for reforms. They are not afraid of reforms. Many of them participated in the events in 1968 and are not afraid if they think that society might start to move. I think Strougal belongs to this group, but he is not a fighter. [end recording]

The times of the total immobility of the Prague party leadership are over in any case. The CSSR leadership is under dual pressure—under the still weak pressure by a civilian society that is moving again and under the much stronger pressure by Gorbachev's Moscow. If a party verbally expresses support for a reform program under such circumstances, this may lead to a sort of independent dynamism that causes more movement than originally planned. The fact that the oldest human rights movement of Eastern Europe does not feel isolated in such a situation is illustrated by Charter 77 spokesman Milos Hajek with ironic humor:

[Begin Hajek recording] I can give you one sociological example. When I was in prison for 2 days in March, I shared the cell with four thieves. One of them, that is, 25 percent, knew what Charter 77 is and all four of them expressed sympathetic feelings for me. [end recording]

Dubcek Interviewed by Austrian Journalist

AU0807081088 Vienna Television Service in German 2000 GMT 7 Jul 88

[Otto Hoermann report on an "exclusive" interview with former CPCZ General Secretary Alexander Dubcek in Bratislava on 7 July; Dubcek statements in Slovak with superimposed German translation in quotation marks]

[Text] At 11 o'clock this morning at number 31 Misikova street in Bratislava we surprise Alexander Dubcek at work, not as party leader or party member. That was a long time ago. We surprise Alexander Dubcek, pensioner of the Slovak Forest Administration, at work with his hands.

"I am retired and, to be honest, you have not come at an opportune moment. We are in a hurry because my wife is leaving for Yugoslavia with my granddaughter for the holidays. My granddaughter has bronchitis. The air in

Bratislava is bad for children. We have here strong emissions from the chemical industry. The whole area is like a basin. And this is bad for the health of the children. It effects the upper respiratory tract. Our environmentalists have been fighting against the pollution and they have been attacked very hard for doing so, with the argument that they have been doing antisocialist acts. This was very unpleasant.

"But I would rather talk about myself, about how a retired person lives. I try to relax by working. Work is the best medicine. Everything that you see here I have made with my own hands. In this way, one forgets the other things and this is how I relax.

"The years have been difficult but, as you see, we are alive and are fairly healthy. We do not lose courage. I have tried to get through these 20 years as best I could. It was difficult but there have been harder times."

Twenty years ago the Prague Spring turned into a hot political summer. At that time Dubcek did not have time to cultivate his vines. At that time, precisely here in Bratislava, the capital of his Slovak homeland, he had to resist the pressure of Moscow and the Warsaw Pact. The hot July was followed by the sudden drop in temperature caused by the invasion in August.

"I have already said a lot about this topic. Therefore I only want to say very briefly: Today, as was the case 20 years ago, I regard the invasion as illegal and as contrary to the international treaties and the relations between states. It was an act that not only damaged relations between the socialist countries but also the relations between countries all over Europe. I believe that the invasion still weighs heavily upon the CPCZ. However, it was something that involved not only the party but the whole of society. The invasion was a burden on the whole of society."

A few months after the invasion, Dubcek's rapid decline into political insignificance started. He was given a minor position with the Slovak Forestry Administration and thus returned to the grass roots. Dubcek, a trained fitter, still keeps tools in his garden that remind him of his beginnings. He likes manual work. And in spite of all political humiliations, his political awareness is still keen, particularly now with Gorbachev in Moscow.

"I welcome every positive step that is aimed at applying Soviet restructuring to our conditions. Some people say that not everything is suitable for us. But during the past 20 years the same people copied everything. When the Brezhnev system was in force in the Soviet Union and when we deviated slightly from it we were told that this was not correct. We had to march the way Brezhnev wanted us to and in accordance with the rules in the Soviet Union. These people copied everything minutely, and today they say that we should partly use Soviet experiences but that we have to examine carefully what is suitable for us. Now these people are very fastidious when it comes to deciding what is suitable for the CSSR and what is not. There is a certain inconsistency regarding the evaluation of the experiences.

"I think that what is happening in the Soviet Union today is well suited for our conditions. Unfortunately this comes after 20 years. Twenty years have been lost. It is not true that during the past 20 years nothing has been done; one cannot say that. But the heavy moral burden on our society was reflected by the moral condition of our society, in the economy, in scientific-technological development, in human relations, and human rights. This burden was felt in every step in our lives, negatively of course. And despite the fact that much has been done, the backwardness deepened. This shows that the invasion was a mistake."

In the past Alexander Dubcek was kept under observation in his house by the secret police. Now the visible guards have been removed. Dubcek is allowed to receive visitors and to comment on current affairs, such as the Moscow party conference.

"I say the same thing that I already said before the conference. I really believed that the reform course in the Soviet Union would strengthen as a result of this conference, that Gorbachev's leading position within the state and party would consolidate, and that the process of democratization and restructuring would deepen. I said that at a time when many people were still wavering and did not know whether Gorbachev's leadership would strengthen or falter. I was firmly convinced that the political line and Gorbachev's leading position would last. This has been confirmed by the conference. And I am glad about this. This is how I saw things before the conference, and I see them the same way today.

"I think that the democratic circles in the West should recognize the changes in the Soviet Union. I think that Western representatives are not right when they believe that it is good when socialism is doing badly. In my opinion, this standpoint is wrong because also for the Western democracies it is better if the Soviet leadership abandons Stalinist militarization once and for all and radically and moves away from Brezhnev's dogmatism. It is good when a new atmosphere is created in Europe."

Archbishop Tomasek Calls For Religious Freedom

AU0707131588 Vienna DIE PRESSE in German 7 Jul 88 p 2

[Excerpt] Vienna—In an Austrian radio interview, Prague Archbishop Frantisek Tomasek again expressed the urgent desire for "a greater freedom of the life of the church." The church in the CSSR still does not have the opportunities for activities that it urgently needs. Asked about the "considerable increase in the interest in religious issues, especially among intellectuals and young people," Tomasek said: "It is the hunger and thirst of the soul for God." [passage omitted]

SED, SDP Present 'Zone of Confidence' Plan

LD0707142588 East Berlin ADN International Service in German 1010 GMT 7 Jul 88

[Text] Bonn, 7 Jul (ADN)—The SED and the SPD are jointly, in Bonn at this moment, putting forward to the public new and topical proposals for confidence-building and increasing European security. At a greatly acclaimed press conference, Hermann Axen and Egon Bahr, members of the leading bodies of the two parties, are setting out the proposal for a "zone of trust and security in central Europe," which was worked out by a joint working group and which has been approved by the SED Central Committee Politburo and the SPD Presidium.

It is proposed that all the CSCE states further reduce the participation of troops in maneuvers, that they also give advance notice of sea-based and air forces participation, that they no longer hold maneuvers in an area of, for example, 50 km either side of the border between the two military alliances, and that they invite observers to all maneuvers. Centers of confidence-building and permanent joint observation posts at strategically important points in all central European states are to be created.

It is also proposed that there should be exchanges of military attaches between these states, and that a joint European satellite observation station as a possible instrument for all CSCE countries, and "hotlines," should be created.

Foreign Ministry Comments

LD0807102688 East Berlin ADN International Service in German 0930 GMT 8 Jul 88

[Text] Berlin, 8 Jul (ADN)—The GDR Government is prepared, in the spirit of the SED and SPD joint proposal, for a "zone of trust and security in central Europe," and to immediately begin negotiations with the governments and states of this region for its realization. This was stated in Berlin today to representatives of the press, by GDR Foreign Ministry Spokesman Ambassador Wolfgang Meyer. After the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles and nuclear disarmament commenced, this initiative was dictated by an effort to prohibit any pauses or even a slowing down of the disarmament process, he said.

The spokesman referred to Erich Honecker's statement at the Berlin International Meeting for Nuclear Weapons-Free Zones, that the sensitive dividing line between the two strongest military coalitions of our time runs down central Europe and that a terrible potential in weapons of mass destruction is stockpiled there. The initiative is to a great extent confidence-building and thus an important link with other disarmament measures.

A central European zone of trust and security endangers or disadvantages no one; on the contrary, it is in line with everyone's legitimate security interests, the spokesman stated.

The proposal is a possible interim step toward a corridor free of nuclear weapons in central Europe. It also supports and promotes important disarmament initiatives, such as the Jaruzelski Plan, for the reduction of armaments and raising trust in central Europe, and the Jakes plan for creating a zone of trust along the dividing line between the Warsaw Pact and NATO.

Bahr, Axen Remarks

LD0707170588 East Berlin ADN International Service in German 1134 GMT 7 Jul 88

[Text] Bonn, 7 Jul (ADN)—The SED and the SPD have put before the public their most recent joint proposal for a "zone of confidence and security in central Europe" at an international news conference in Bonn today.

The heads of the joint working group of the SED Central Committee and the SPD Bundestag group—Hermann Axen, member of the Politburo and secretary of the SED Central Committee, and Egon Bahr, chairman of the subcommittee for disarmament and arms control in the FRG Bundestag and member of the SPD Presidium—presented the document.

In his introductory remarks, Egon Bahr said that the new proposal differs on one point from the previous working results on a chemical weapons-free zone and a nuclear weapons-free corridor in central Europe. It does not concern weapons, but concentrates on building confidence and thus moves in the tradition of Stockholm. The confidence-building measures agreed on there are already effective, although there is still no conventional disarmament in Europe.

The SPD disarmament expert emphasized that the measures proposed today do not conflict with any NATO resolution. They are to be fully included in the negotiations, for which a mandate can be agreed on in Vienna this month, which the Federal Government hopes for. Thus, the proposals' timing is right, they conform to alliance interests, and they are intended for the CSCE follow-up negotiations. One can assume that the GDR Government will adopt these proposals, which means that the Federal Goernment will have to count on being confronted by them in Vienna, said Egon Bahr.

Therefore, the question is whether the Federal Government wants to leave such an initiative solely to the GDR Government. Nothing can prevent both German governments from recalling the community of responsibility agreed to by both sides during the visit of the chairman of the GDR Council of State on developing joint initiatives which would lead to greater security in Europe. They would only be doing what is expressly provided for in the Basic Treaty.

With regard to the new proposal, Egon Bahr emphasized that both sides in Europe should have the same level of information at their disposal, so that mistakes and misunderstandings can be excluded. Since there are already monitoring centers in every capital city, these could be connected to one another, which would prevent crises developing from mistakes.

In his remarks, the SPD politician described the double zero option as a triumph of the idea of joint security over the policy of strength. All sides are proud of the agreed-on reciprocal controls which previously were considered implausible.

Bahr said that the present proposal shows that confidence can emanate not only from the two superpowers or the neutral and nonaligned states, but also from the smaller states in central Europe.

In his announcement to the domestic and foreign journalists, Hermann Axen said that this proposal is the first interim result of the work of the SED/SPD joint working group. It is the expression of the result-oriented dialogue between the two parties for safeguarding peace, increasing security and building confidence in Europe.

A few weeks after the implementation of the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles, it was convincingly expressed at the International Meeting for Nuclear Weapons-Free Zones held in Berlin how strong the striving for a nuclear weapons-free world is.

Hermann Axen referred to the positive response of the GDR population to the participation of 100 figures from the Federal Republic—including well-known politicians from three Bundestag parties—in the Berlin meeting. The politician recalled the words of Erich Honecker at this world forum: "Not much time remains for negotiating a nuclear weapons-free world. We must use every initiative that brings us in this direction." Hermann Axen continued that the GDR believes that the main direction of further nuclear disarmament agreed to between the USSR and the United States should be actively supported and not hindered by all European states. As the owner-occupier of a small but beautiful socialist apartment in the common European house, it supports the idea that growth in confidence and increased security determine a peaceful life for all the inhabitants of this house. Part of this is that the house must have a reliable alarm system, explosive material must be handled as little as possible in this house, and sources of danger must be handled as little as possible in this house, and sources of danger must be reduced through reciprocal inspections. This is the essence of the new proposal.

Then Hermann Axen went into the details of the proposals aimed at the governments of the CSCE states and expressed the recommendation of the working group that the governments of the two German states to take corresponding initiatives. There is a recommendation that, in order to bring about a zone of confidence and security in central Europe, the agreements made at the Stockholm conference should be expanded by the further reduction of the minimum limits for notifiable maneuvers, by the inclusion of independent maneuvers by air and sea-based forces, and the limitation of large-scale manoeuvers. Finally, permanent centers for confidence-building are to be created.

The setting up of a central European zone of confidence and security will be an important link in a system of European and international security. The proposal worked out by the SED and the SPD is based on the joint political initiative for the creation of a nuclear-free corridor and a nuclear-free zone. Hermann Axen thanked his Social Democratic partners, particularly Egon Bahr, for their fruitful cooperation.

Afterward, Hermann Axen and Egon Bahr answered journalists' questions. On the ranking of the new proposal within the security policy dialogue between East and West, Hermann Axen emphasized that the proposals made so far have been related to how to remove weapons of mass destruction in the area on both sides of the dividing line between the Warsaw Pact and NATO. By contrast, the new proposal is aimed at confidence-building measures that can be tackled immediately and do not need a long time for agreement. Also, the proposals will not touch on the interests and commitments of both sides within their alliances, but will create more security and trust. What matters is to apply confidence-building measures now being practiced by the two great powers to the sensitive zone in Europe. Egon Bahr then expanded on this by referring to the efforts of the Stockholm conference to extend the resolutions on confidence-building, which have been functioning for 1 and ½ years. This is precisely where the proposals of the working group fit in. The process can not go in any other direction.

Speaking of the inclusion of independent maneuvers by air- and sea-based forces in the obligation to notify, Egon Bahr emphasized that this component of the joint proposal, which goes beyond Stockholm, is very difficult to implement, but is indispensible. The complexity involves a definition of the size and regionalization of the maneuvers. The working group pointed this out, but neither wanted to nor could anticipate the government negotiations which would be dealing with this problem.

Asked about the international efficacy of the proposals, Hermann Axen said that the subject of nuclear-free zones is more topical than ever today. This has been shown not least by the Berlin International Meeting for Nuclear Weapons-Free Zones. Leading statesmen, prominent politicians, and representatives of large international organizations have welcomed the proposals of the

SED, CPCZ, and SPD and have described them as important initiatives. Efforts toward peace and disarmament demand not only energy but also, above all, patience.

In reply to further questions, Egon Bahr said that the FRG Government has been informed of all proposals made so far. Indeed there are also consultations taking place between the GDR, the CSSR, and the FRG in Geneva on the removal of chemical weapons, but unfortunately they have remained unfruitful up to now because the FRG Government remains exclusively bent on a global solution. The SED and the SPD are also for a worldwide agreement, Egon Bahr said, but why should not the period before such an agreement is reached be used for independent concrete initiatives for Europe, where the greatest concentration of weapons of mass destruction is to be found.

In reply to a question about possible meetings, for example, between the defense ministers of the two German states, Hermann Axen said that there is no law saying that such meetings must be confined to the Soviet Union and the United States. With appropriate preparation this would certainly be useful and fruitful.

Review of Joint Security Talks

LD0707165888 East Berlin ADN International Service in German 1406 GMT 7 Jul 88

[Text] Bonn, 7 Jul (ADN)—The joint working group of the SPD Bundestag group and the SED Central Committee on security questions in Europe, formed on 15 May 1987 following an agreement between Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR Council of State, and Dr Hans Jochen Vogel, chairman of the SPD and of the SPD Bundestag group, has met six times so far.

At its meetings it has examined additional possibilities for confidence-building security measures in Europe and is presenting an interim report on this topic. The extensive and far-reaching discussions on questions of incapacity for attack and the achieving of the lowest possible level of armaments whilst mutually eliminating asymmetries will be continued in the autumn of 1988.

As an interim report, the working group presented a proposal for a "zone of confidence and security in central Europe". It was approved by the SED Central Committee Politburo on the recommendation of Erich Honecker, general secretary of the SED Central Committee, and by the SPD Presidium on the recommendation of Party Chairman Dr Hans Jochen Vogel.

In the creation of this proposal both sides have been directed by the conviction that international security in the nuclear age is indivisible and demands confidence through cooperation, globally and regionally. The CSCE process has already created an important basis for that. The Moscow meeting between Mikhail Gorbachev, general secretary of the CPSU Central Committee, and U.S. President Ronald Reagan also strengthens our view that the European states, and especially the two German states, should make their own contributions to disarmament and detente. The implementation of the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles.

There is no alternative to joint security and peaceful coexistence. The measures put forward today can be implemented in a relatively short time. They are in the interests of all European states, as for the first time, at the center of our continent on the sensitive dividing line between the great military alliances, opportunities for communication in crises and further limitation of military exercises are being proposed. They are in line with our conviction that stability and peace must emanate from central Europe.

Both sides have agreed to pass the results of their work to the governments of their states and to make them available to interested governments, parliaments, and parties.

The working group included:

For the SED: Hermann Axen, member of the Politburo and secretary of the SED Central Committee; Dr Manfred Uschner, deputy department chief of the SED Central Committee and secretary of the SED Central Committee Foreign Policy Committee; Prof Manfred Mueller, head of the Basic Issues Department at the Potsdam-Babelsberg Institute of International Relations; Dr Guenter Hillmann, section head at the Ministry of Foreign Affairs; and Karl-Heinz Wagner, who works for the SED Central Committee.

For the SPD: Egon Bahr, chairman of the FRG Bundestag Subcommittee on Disarmament and Arms Control and member of the SPD Presidium; Erwin Horn, chairman of the SPD Bundestag group in the Defense Committee; Dr Hermann Scheer, chairman of the disarmament and arms control working group of the SPD Bundestag group and member of the SPD Party Council; Dr Uwe Stehr, consultant to the SPD Bundestag group (until February 1988); and Wolfgang Wiemer, consultant to the SPD Bundestag group.

Fischer Address on INF Inspection, Disarmament

AU0707182688 East Berlin NEUES DEUTSCHLAND in German 1 Jul 88 p 9

[Speech by GDR Foreign Minister Oskar Fischer at the Sixth People's Chamber Session on 30 June in East Berlin: "For a Comprehensive Security System and for a Nuclear-Free World"]

[Text] Esteemed Comrade President, esteemed deputies:

Immediately after the exchange in Moscow of the instruments of ratification on the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles, the SED Central Committee general secretary and State Council chairman said: "This brings the historic treaty into force and inaugurates nuclear disarmament.... The prospects for developments in Europe and the world...are further proof that a world with fewer weapons, a world without nuclear weapons is possible."

Esteemed deputies, part of this first disarmament treaty comprises:

—The trilateral agreement of 11 December 1987 between the GDR, the USSR, and the CSSR on inspections in connection with the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles;

—The agreement between the GDR and the United States on inspections of the former Soviet missile bases on GDR territory. It was concluded on 23 December 1987 by means of an exchange of diplomatic notes.

These two documents form the basis in international law for the implementation of verification measures on our territory.

At the same time, they govern the advance notice and carrying out of inspections by the United States, in order to help guarantee the overall verification of the implementation of the Washington treaty. They set down in detail the rights, obligations, privileges, and immunities of the U.S. inspectors and members of the aircraft crews. The agreements naturally safeguard the sovereign rights and interests of our state.

The Densest Network of Control Measures Ever Agreed in a Disarmament Treaty [subhead]

We on the dividing line between the Warsaw Pact and NATO, have a vital interest in the speedy elimination of intermediate- and shorter-range missiles; we commit ourselves to supporting the United States in carrying out inspections of the former Soviet Army missile bases on our territory.

For their part, the U.S. inspectors and members of their aircraft crews must strictly obey GDR laws and regulations, and not interfere in internal affairs. The conditions under which inspectors or members of aircraft crews can be denied entry into the country have also been defined.

Our state is ready to receive these inspectors and to guarantee them the agreed-upon support; this will be legally possible as of tomorrow.

These are new tasks, in the reliable mastery of which the good experience in the implementation of military observation and inspection measures in fulfilling the Stockholm document on confidence-building and disarmament will be useful. The Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles contains the densest network of control and verification measures ever agreed in a disarmament treaty. They cover a period of 13 years and apply to all former missile deployment sites cited in the treaty. This is unprecedented; and many of the solutions found could undoubtedly be used as models for future disarmament treaties. It is a case of the principle that control and verification measures are necessary because they strengthen trust.

Verification Must Become the Basis of Increasing Trust [subhead]

Their scope must always be determined by the content of the agreed-upon disarmament, because verification is not an end in itself, it must in no way be the source of new distrust, but—I repeat—it must become the basis of increasing trust. It is clear that the conscientious fulfillment of all obligations resulting from the agreed inspections by all parties to the treaty leads to a further increase in trust on our continent.

Intentions or even efforts to replace nuclear systems, which are subject to reduction and destruction, by "modernization" or rearming in other fields will not only devalue the Washington treaty, they will be a direct blow to disarmament. For this reason, the GDR calls for decisive steps to be taken to prevent this.

You, esteemed deputies, know very well that, even before the just-mentioned treaty came into force, the GDR and the USSR decided—in the interest of the ratification of the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles—to withdraw the missiles stationed in response to the arming of West European states with the most modern U.S. nuclear missiles. This, as well as similar steps by the CSSR, met with the greatest respect internationally. Turning the former military site at Waren into a holiday center for the FDGB became a comprehensive symbol of the advantages which disarmament can bring for mankind. Of course, it corresponds to the essence of socialist politics, and additionally, it is cheaper not to have to build holiday homes via the circuitous route of missile positions.

You also all know what our state has done to effectively support the process of working out and starting to implement the agreement of 8 December 1987.

Even when countermeasures to the deployment of U.S. intermediate-range missiles in Western Europe had to be taken on our territory, we declared our support for the aim of a drastic reduction in missiles on both sides. I recall the slogan coined by Comrade Erich Honecker at

the seventh SED Central Commission session in November 1983, which rapidly gained popularity: The devil's tools must go—now, more than ever! By the way, in the meantime this slogan has lost nothing, absolutely nothing of its topicality. Many people were surprised at the naming of Leipzig airport as the arrival airport for the U.S. inspectors who are due to supervise the keeping of the Soviet-U.S. treaty on the dismantling of the missiles.

Even at the hour of the signing of this very important document, someone in Washington objected to Schoenefeld Airport. Why? It has remained inexplicable ever since. But our immediate decision to change to Leipzig showed: The GDR follows a predictable—because logical—policy, and this is oriented toward the comprehensive questions of mankind.

As of 1 August the Soviet Union Will Begin the Destruction of the Missiles That Have Been Withdrawn [subhead]

The GDR has intensified the policy of dialogue and balance. This was one of the main topics during the talks and negotiations held in many West European states—including those in countries where U.S. intermediate-range missiles are deployed—by our highest representative. This is also shown in the statement of the joint communique on his official visit to the FRG from 7 to 11 September 1987, in which—I quote—"both sides" stressed "...the particular importance of an agreement on intermediate-range systems...." and expressed the conviction "that the conclusion of a corresponding agreement will have positive effects both on other fields of arms control and disarmament, and also on East-West relations as a whole. The chance inherent in this must be used."

This, esteemed deputies, is the attitude to be expected from a German state which takes seriously its duty to see that war will never again emanate from German soil.

Looking back we can say that this policy was and remains correct; the efforts have been worthwhile, and they will continue to be so.

Negotiation, signing, ratification, and the incipient implementation of the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles have been and are observed by the world public with extraordinarily great interest and almost unanimous agreement.

Thus, it became impossible for the opponents of any disarmament, be it in the area of missiles of intermediate- and shorter-range or strategic importance, be it nuclear or conventional, to prevent the ratification. As of 1 August, the Soviet Union will begin the destruction of the missiles which have been withdrawn.

All this proves that the weight of the Soviet-U.S. treaty of December 1987 and of the other advances achieved in recent times in the struggle for disarmament and arms control far exceeds the respective subject of the negotiations.

The Berlin Meeting Is of Outstanding Importance in the Struggle for Nuclear Disarmament [subhead]

Esteemed deputies, the lively movement, which has entered all efforts toward disarmament and arms control, may be assessed as the first consequence of the insight that, in the nuclear age, more weapons do not mean more security.

The worldwide cooperation of the forces of realism and reason is being extended on the basis of this knowledge. This was shown in a most impressive way only a few days ago at the International Meeting on Nuclear Weapons-Free Zones, held in our capital city. This, the most comprehensive world forum on peace issues in history, is unprecedented. It is of outstanding importance in the struggle for nuclear disarmament, particularly for Europe, where the most modern weapons of mass destruction of all kinds are concentrated. The establishment of nuclear-free zones and areas would—as Comrade Erich Honecker, the initiator of this meeting, stressed—strengthen the nonproliferation of nuclear weapons and would free increasingly larger territories from the nuclear devil's tools. Last but not least, it confirmed the view that tactical nuclear weapons have to be included in the disarmament process, which is particularly in the interest of the peace and security of the citizens of the two German states.

Our representatives who spoke at the meeting left no doubt that disarmament in the field of intermediate- and shorter-range missiles should be followed by the next zero-option—the removal of so-called nuclear tactical systems. And one of the encouraging, future-oriented experiences of the meeting is that the Soviet-U.S. treaty of last December was considered by all participants not as an individual nuclear disarmament activity that will not be repeated for a long time, but as an important first step, which is to be speedily followed by others.

A nuclear-free world in the year 2000 is not a utopia—it can be achieved.

Thus, we stick to the view, expressed in the Politburo report to the sixth SED Central Committee session, that there are the beginnings of a change for the better in international relations.

Significant developments are taking place, in spite of existing complications and the most stubborn resistance by forces inimical to detente.

For the first time, the most up-to-date weapons systems are not only being limited, but destroyed. Here it is shown that enormous intellectual, material, and financial means are required to bring this about without any dangers to mankind. Should this not be a reason to come to an agreement not to produce such weapons in the first place?

To the west of our state border there are still people who advocate the retention of "nuclear deterrence" in Europe. This is aimed directly against the process of disarmament and the improvement in international relations which has just begun. One has to know this. And it is mere supposition and speculation that nuclear deterrence has prevented a third world war for 40 years. No one can guarantee that this is the case.

Who would or should prove the contrary if worse came to worse? Do we not see daily, in our highly technological world, accidents and disasters because, for example, an insignificant component or a human being failed? I am thinking of Chernobyl; of the poisoning of the Rhine; of the catastrophes in Bophal in India and in Seveso in Italy, at the launch of the Challenger spacecraft; of the cloud of poison gas in Springfield in the United States; and many other things.

Can we in Europe or elsewhere risk a nuclear war "by chance"? That a war "by chance" has become conceivable is shown by the fact that the Soviet Union and the United States have taken measures to reduce the risk of a nuclear conflict. This concern was also the stimulus for Erich Honecker's proposal at last week's international meeting in our capital city for the creation of mechanisms for peaceful crisis-management and the prevention of military incidents in central Europe, which immediately received a worldwide response.

Its implementation, which is easily possible within a short period, would help reduce the danger of surprise attacks. Solutions for "all of Europe" would thus not only not be prevented, but would be promoted! Those who are in favor of more confidence-building, predictability, and effective crisis-management should proceed from this. Saying yes to this proposal is a test for whether such assurances are meant seriously.

Esteemed deputies, we are in favor of a balance without nuclear weapons and with a minimum of weapons on either side, just enough for defense.

Doctrine of "Deterrence" Prevents Any Disarmament [subhead]

"Nuclear deterrence," that is, the readiness to use nuclear weapons in case of conflict, is in direct contradiction to what Mikhail Gorbachev and Ronald Reagan agreed on—and what has not been contradicted by anyone in the world, as far as I know—that is, that there cannot be any victors in a nuclear war and that such a war must simply not be waged.

Furthermore, such weapons are unnecessary in Europe; the already existing conventional weapons—with a concentration about 20 times as high as that in other continents and regions—would certainly be completely sufficient to first turn this continent into a desert. History, from the past to the very recent present, gives innumerable examples that it is easy to begin a war, but it is very difficult to stop it. Armed conflicts have always developed in line with their own regularities, since every side wants to win at any price. We are also against "nuclear deterrence" for the reason that it logically entails the fact that these weapons are renewed and "modernized" from time to time. That means that "nuclear deterrence" is continuing the nuclear arms race. And more: In the end, "nuclear deterrence" hinders and thwarts any sort of disarmament.

Already now, 40 countries are said to be able to produce nuclear weapons.

If NATO adheres to its doctrine of nuclear deterrence, then all over the world the temptation to base one's own security on nuclear deterrence would surely grow. Hence, what we must do is to find solutions which make nuclear weapons dispensable for all, without harming anyone's security.

Further Proof of the Realistic Nature of the Proposals [subhead]

Esteemed deputies:

The GDR, esteemed deputies, judges the speedy realization of the Soviet-U.S. treaty of last December as further proof of the realistic nature of the Warsaw Pact's joint program on the establishment of a comprehensive system of security and the creation of a nuclear-free world. At the third special session of the UN General Assembly on disarmament questions in New York, the GDR and its allies again advocated this with great emphasis.

There at the United Nations, here at the Berlin International Meeting—everywhere one can see that people are becoming increasingly aware of the dangers resulting from the continuing arms race. More and more people become sensitive to this; become so, and are prepared to commit themselves to a life in peace.

Perceptible influences on further developments in the world will emanate from the implementation of the Soviet-U.S. Treaty on the Elimination of Intermediate- and Shorter-Range Missiles, for which all the political and legal prerequisites now exist. The expectations tied to this can only be fulfilled if no break in the policy of disarmament is allowed.

President Reagan and other Western politicians, too, said that the agreement of last December can only be the beginning of the process of nuclear disarmament. Well, such statements meet with our agreement, and we are waiting for further actions.

Even if differences of opinion exist on the scope and objective of disarmament, we can still note, esteemed deputies, that a growing consensus is forming for the further disarmament process. This applies to the negotiations between the USSR and the United States on a 50-percent reduction of their strategic-offensive weapons, which have actually made quite a lot of progress. We demand that the questions that are still open, such as, for instance, the strict observance of the ABM Treaty and the inclusion of sea-based cruise missiles in the reduction process, be solved by the end of this year.

This applies to nuclear-weapons tests. By agreeing on a corresponding joint experiment with regard to the verification of the 1974 Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Underground Nuclear Weapon Tests, the last preconditions for putting this treaty into force are being established. A further limitation of the number and intensity of nuclear tests can be the preliminary stage for a total ban.

This also applies to the conclusion of a convention on a ban of all chemical weapons. The GDR thinks that, for this purpose, it is necessary to intensify the respective negotiations in the Geneva disarmament committee.

It Is Necessary to Push Ahead the Process of Disarmament [subhead]

And, finally, this also applies to the reduction of armed forces and conventional armaments in Europe.

In all these questions it is now necessary to push ahead the process of disarmament—this was the conclusion drawn at the sixth SED Central Committee session. At the two summit meetings in Berlin in 1987, at the foreign ministers meetings in Sofia and Berlin in 1988, the Warsaw Pact states repeatedly reacted with proposals to changed conditions and took up the ideas of the other side.

Furthermore, as is known, we support

—The three-stage plan of Comrade Mikhail Sergeyevich Gorbachev on conventional disarmament in Europe;

—The plan proposed by Comrade Wojciech Jaruzelski on arms limitation and the strengthening of trust in central Europe, including the further details spelled out a few days ago;

—The plan established by Comrade Milos Jakes on establishing a zone of trust, cooperation, and good-neighborly relations along the dividing line between the states of the Warsaw Pact and NATO;

—The initiatives of the Finnish and the Hungarian sides; we welcome the first-time conference of the foreign ministers of the Balkan states, and finally I refer to

—The International Meeting on Nuclear Weapons-Free Zones held last week here in Berlin, and to its mobilizing effect.

We Continue the Efforts to Establish Nuclear-Free Zones and Corridors in Europe [subhead]

As a state on this dividing line, we continue our persistent efforts to establish nuclear-free zones and corridors in Europe. The corresponding proposals of the SED, the CPCZ, and the SPD demand a constructive response. Even if NATO should not consider direct disarmament of tactical nuclear weapons possible at present, the separating of dangerous offensive weapons that has been offered would be an important contribution to strengthening mutual trust and to reducing military confrontation. It limits the danger of an outbreak of nuclear war and certainly helps to arouse the world's conscience. And—this should also be remembered—a policy of "all or nothing" has never solved any problem in a lasting way and in the interests of all sides. This can be done only step by step. In our view and in that of our allies, it should not prove difficult to rid Europe of chemical weapons, and thus at the same time promote a worldwide ban on them.

In line with this, there is our negotiating offer on the establishment of a chemical weapons-free zone in central Europe, where, for instance, parts of the convention on a ban on chemical weapons, which have already been agreed on in Geneva, could be tested.

Sometimes one hears the objection that a worldwide ban would be better than a regional one. This is correct, and the GDR is in favor of a global ban without any reservations. But it is equally true that there is nothing to confirm the view that regional solutions would contradict a worldwide ban on chemical weapons. On the contrary: On limited scope, things that are to be valid all over the world can be tested effectively and quickly. And is it not better to accomplish one thing—a chemical weapons-free zone in central Europe—without renouncing another one, namely, continuing the work on the global ban on chemical weapons?

As for the reduction of armed forces and conventional armaments in Europe, the GDR feels that the high concentration of weapons and civilian targets, the destruction of which would have unforeseeable consequences for our entire continent, means that today—and I repeat what I have just said—a war can no longer be waged in Europe, neither by conventional means nor by nuclear means. Just think of how many nuclear power plants have meanwhile been built in Europe. Their destruction by conventional means, for instance by so-called intelligent ammunition, would—as in the case of a nuclear strike—quickly cover not only our continent with nuclear contamination.

Hence, at the Vienna CSCE follow-up meeting, we are trying to ensure that talks between the 23 states of the Warsaw Pact and NATO on conventional disarmament can start before the end of this year. An early mandate for these negotiations would at the same time be an outstanding contribution to guaranteeing human rights, as only living people can exercise such rights.

And the common European house, which is being passionately discussed and patiently worked for in Vienna and elsewhere, can and must be only a house of the living—and must never be a mortuary.

The comprehensive exchange of data and information on armed forces and armaments of both alliance systems in Europe, which has been proposed by the Warsaw Pact states, could contribute much to the realistic presentation of the relations of military power on our continent and could make the planned negotiations easier. We regret the delaying attitude of the NATO states to this proposal, which actually corresponds to their own demands. Delays obviously only benefit those forces that want to postpone conventional disarmament to 31 February.

Therefore, the Warsaw Pact states are in favor of acting as soon as possible to get a clear picture of the existing asymmetries in armed forces and armaments on both sides. As is known, the armies of the Warsaw Pact and of NATO are not equipped equally. Thus, for instance, NATO has more attack air forces, combat helicopters, or antitank-missile complexes. The Warsaw Pact states, on the other hand, have more tanks and artillery.

In order to prevent this problem from continuing to be the subject of unproductive speculation or accusations which make negotiations more difficult, we are in favor of reliably verifying the exchanged data, if necessary on the spot. Then there would be nothing in the way of removing the imbalances between the armed forces and armaments of the two opposing military alliances which have built up over the years, with due regard for mutual concerns—and I stress the regard for mutual concerns.

Achieving Joint Solutions by Means of Negotiations [subhead]

The Warsaw Pact states also feel that drastic reductions in armed forces and armaments must directly follow the process of overcoming existing imbalances. The final aim is to remove the capacity of the forces of both blocs to, first, launch a surprise attack and then, finally, any attack at all. In this connection, I point out the comparison of the military doctrines proposed by the Warsaw Pact in Berlin.

On all these issues I mentioned that our state and the Warsaw Pact members will continue to work to reach joint solutions by means of negotiation, solutions which lead us forward on the path of disarmament, detente, and cooperation, and which, of course, are of benefit for bilateral relations.

Esteemed deputies, the declaration of the People's Chamber groups on the trilateral agreement on inspections, which I recommend you to approve, pays tribute to the historic significance of the intermediate-range missile treaty. The declaration corresponds to the principles and goals of our republic's foreign policy.

USSR Party Conference Positively Assessed

LD0807090288 East Berlin ADN International Service in German 0106 GMT 8 Jul 88

[Text] Berlin, 8 Jul (ADN)—Under the headline "The 19th CPSU Conference and our Joint Struggle for Peace and Socialism," the GDR newspaper NEUES DEUTSCHLAND published the following commentary today:

The GDR press, radio, and television have reported extensively on the 19th CPSU Conference held in Moscow between 28 June - 1 July, in view of its significance. Thus, all communists and all citizens of the GDR could paint a comprehensive picture for themselves of this great historical event in the life of the party of Lenin and the Soviet people.

The 19th Party Conference was a milestone on the path to fulfilling the resolutions of the 27th CPSU Congress. They are directed toward strengthening socialism through intensified social and economic development in the Soviet Union and toward raising its importance in all questions of world significance. In the foreground of this is the greater satisfaction of the people's material and cultural needs. The conference passed resolutions for implementing a reform, which is already underway, of the country's political system, involving tasks of deepening socialist restructuring, wide democratization of Soviet society according to basic Leninist principles, including the struggle against bureaucratism, relations between nations, more fully developing an atmosphere of openness in Soviet society, and a series of other matters.

Mikhail Gorbachev, general secretary of the CPSU Central Committee, called the conference a great event in the history of the CPSU. The spirit of great responsibility toward the people and the revolution dominated it.

Everything which advances the homeland of Red October is followed by us in the GDR with great interest and sincere empathy. Shaping matters for the good of the people and making socialism more attractive is of far-reaching significance for the country itself, for the international position of the USSR, and for the attractiveness of socialism. That will give the peoples new and powerful impetus to struggle for a peaceful future. For that reason the significance of the process of renewal, which is proceeding in the vast dimensions of this huge country, goes far beyond the borders of the USSR.

Today all socialist countries are striving toward a creative application of Marxism and Leninism, this vibrant scientific basis of their actions, according to national conditions. Every Marxist-Leninist party has the task, with full responsibility towards its people, of finding such solutions which best do justice to the specific national conditions and requirements. Here, the socialist countries learn from each other. As was expressed at the conference, no one in this matter is in possession of a prescription appropriate for all. All the more important are the exchanges of experience, friendly cooperation, and mutual solidairty on the basis of proletarian internationalism.

Fully in this spirit, the 11th SED Congress passed resolutions for the shaping of a developed socialist society in the GDR, the first workers' and peasants' state on German soil. They are supported by the recognition gained over decades that this is an historical process of far-reaching political, economic, social, and spiritual-cultural change. The unity of economic and social policies, which the Eighth SED Congress in 1971 first passed, became the main task and is supported by the people and all those in the parties and mass organizations united by the GDR National Front. That is of great significance in view of the fact that the GDR, which is on the dividing line between the Warsaw Pact and NATO, has become a cornerstone of peace and socialism. Here, of great significance is the timely adjustment of the national economy toward socialist intensification.

On the basis of what has been achieved, we shall also in the future—through the wide shaping of socialist democracy and the raising of the level of political-ideological work, the core of our party work—continue to contribute toward shaping socialist society on German soil, according to our tried and tested principle: "Everything with the people, everything for the people, everything via the people."

The slogan, "My workplace—my battle station for peace," has already today become a leitmotif for the work of the majority of all work collectives. This attitude of the GDR citizens does not please our enemies in the West. They regret that their decade-long rabble-rousing propaganda against the GDR has not been able to prevent the GDR from flourishing and developing its international authority. The development of the GDR is made possible by the energetic support of the Soviet Union and the other socialist countries.

Erich Honecker wrote in the SED Central Committee's greetings to the 19th CPSU Congress:

"The communists, and the GDR people, will continue to do everything in their power to strengthen the steadfast bond of brotherhood with the country and the party of Lenin, on all sides. This was and remains for the GDR people the principle of its actions."

According to the resolutions of the 11th SED Congress, we shall continue to make our contribution to strengthening socialism and to safeguarding peace.

Christians Repudiate SED Anti-Israel Line

AU0507135988 Hamburg DER SPIEGEL in German No 27 4 Jul 88 p 15

[Text] The Protestant Church of the GDR, which has been in at odds with the state for months, is risking new trouble with worldly authorities. The Federation of Evangelical Churches in the GDR drew up a "joint statement" together with the FRG Protestant Church in Germany on the 50th anniversary of the "Kristallnacht" on 9 November. In it, both churches explicitly advocate "that the State of Israel will find a safe peace with its neighbors within just borders." The Christian wish collides with the SED's anti-Israeli line which misses no opportunity to publicly abuse Israel as an imperialist aggressor. Moreover, in their pastoral letter signed by Bishop Martin Kruse, chairman of the Council of the Protestant Church in Germany, and Bishop Werner Leich, chairman of the Federation of Evangelical Churches in the GDR, the authors stressed: "Nobody could truthfully claim that he knew nothing." Even though individuals paid for their actions, "we are all liable for the consequences of our guilty past."

Honecker Congratulates Jaruzelski on Birthday

AU0707091088 East Berlin NEUES DEUTSCHLAND in German 6 Jul 88 p 1

[ND report: "Cordial Congratulations and Greetings for Wojciech Jaruzelski"]

[Text] East Berlin (ND)—Erich Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, has sent the following greetings message to Wojciech Jaruzelski, first secretary of the PZPR Central Committee and chairman of the PPR State Council:

Dear Comrade Jaruzelski:

On the occasion of your 65th birthday, I convey fraternal militant greetings and cordial congratulations to you on behalf of the SED Central Committee, the State Council, and the people of the GDR, as well as on my own behalf.

The communists, the working people of our Republic have great respect and sympathy for your meritorious work as an outstanding representative of the Polish and international workers movement and for your untiring efforts to strengthen the PZPR.

Under the leadership of the Marxist-Leninist party, the Polish working people are making great endeavors in building socialism, in defending its achievements, in strengthening the people's power, and in enhancing the

PPR's international standing. The successes that have been scored in this respect are indivisibly linked with your creative work at the head of our fraternal Polish party.

Your initiative-rich commitment to safeguarding peace as the highest asset of mankind has won you high international respect. The proposals of the PPR that are directly linked with your name, aimed at reducing tensions and increasing confidence in central Europe, have provided strong impulses to the implementation of the joint peace program of the socialist countries and enjoy our full support.

Dear Comrade Jaruzelski, you have earned great merit in the comprehensive development of fraternal friendship and cooperation between our two parties, states, and peoples. An impressive highlight was our recent meeting in Wroclaw on 24 June during which we opened new perspectives for international cooperation between the young generations of our socialist neighboring states by signing the agreement on the "Friendship System of the Youth of the GDR and PPR."

Dear Comrade Wojciech Jaruzelski, I wholeheartedly wish you the best of health, creative vigor, and personal well-being for your responsible activity for the well-being of the Polish people, for socialism and peace.

With communist greetings,

E. Honecker.

Dumping of Atom Waste in Africa 'Nuclear Racism'
AU0607202288 East Berlin NEUES DEUTSCHLAND in German 5 Jul 88 p 2

["Mi." commentary: "Nuclear Racism"]

[Text] At the Berlin meeting on nuclear-free zones, a particularly horrible crime was brought to the attention of the public: The illegal disposal of nuclear and toxic waste from capitalist industrialized states in developing countries. To an increasing extent, such industrial wastes—harmful for man and nature—are preferably taken to West African states and stored in a manner that defies all rules concerning the handling of such materials.

In Berlin the Deputy Secretary for Foreign Affairs of Ghana, Mohammed ibn Chambass, called for a ban on nuclear pollution within the framework of the creation of nuclear-free zones. The Nigerian Nobel peace prize winner Wole Soyinka reported that at least four ship cargos were recently unloaded in his country, parts of which turned out to be radioactive. He described the criminal practices of neocolonialists who send their freighters, loaded with nuclear and toxic wastes, across the seas like "Flying Dutchmen," in order to deposit their murderous time bombs among innocent people.

The neocolonialists draw immense profits from the economic deformation of the former colonial countries by imperialism and the denial of equal rights in international economic relations which they have maintained ever since. Now they continue this practice by unloading nuclear and other toxic wastes, the disposal of which would cost them a lot of money at home, at the doorsteps of those who must supply cheap raw materials to them in exchange for expensive finished products. A macabre variation of the exchange of glass beads for gold, of ivory for jewels.

What is important is the growing awareness of the link between consistent advocacy of nuclear disarmament, the struggle against racism and national oppression, the solution of regional problems, and the democratization of international economic relations. In this spirit, the decision adopted by the summit of the West African Economic Community in Lome to condemn the storage of nuclear and toxic wastes from Western industrialized states as crimes, to make it a punishable offense, and to organize efficient control deserves full support. The struggle against nuclear racism, as Wole Soyinka called the pollution of the developing countries with imperialist wastes, must be waged with great consistency.

Briefs

Syrian Delegation Concludes Visit

Berlin (ADN)—On 3 July the delegation of the central directorate of the "schools of the children of martyrs" at the Syrian Arabic Republic Defense Ministry, headed by its director general, Gen Mohamed Moulhim [spelling as published] concluded its visit to the GDR. In talks with Council of Ministers member Hans Sattler, head of the office for youth questions, the guests informed themselves about the implementation of the decisions of the 11th SED Congress in the field of socialist youth policies. In an exchange of opinions, Heinz-Dieter Winter, deputy of the Ministry of Foreign Affairs, underlined the GDR's position that the Middle East conflict requires a just, comprehensive, and lasting solution on the basis of complete Israeli withdrawal from all occupied Arab and Palestinian territories, as well as ensuring the inalienable rights of the Palestinian people, including its right to establish a state of its own. [Summary] [*AU0707111188 East Berlin NEUES DEUTSCHLAND in German 4 Jul 88 p 2*]

Condolences Sent on Downing of Iranian Airbus
LD0607161788 Budapest MTI in English 1505 GMT 6 Jul88

[Text] Budapest, July 6 (MTI)—On account of the July 3 tragedy of the Iranian airways' plane Bruno F. Straub, president of the Presidential Council expressed his regrets and sympathy to Seyyed 'Ali Khamene'i, president of the Islamic Republic of Iran.

Grosz Interviewed on Relations With Romania
AU0707144888 Budapest MAGYAR HIRLAP in Hungarian 2 Jul 88 pp 1, 2

[Interview with MSZMP General Secretary and Premier Karoly Grosz by Dezso Pinter: "Karoly Grosz Interviewed on Hungarian-Romanian Relations—It Is a Political Necessity and Moral Obligation To Conduct a Direct Dialogue"—in parliament on 1 July]

[Text] On 1 July, following the National Assembly session, MSZMP General Secretary and Premier Karoly Grosz answered the MAGYAR HIRLAP correspondent's questions on the Hungarian-Romanian relations.

[Pinter] The official Hungarian position that we must use every possible means to seek ways of settling our relations with Romania is quite clear to the Hungarian public and to the world at large. What real opportunities for achieving this goal do you see?

[Grosz] I am convinced that parliament's initiative could considerably contribute to the continuation of a dialogue. Of course, in harmony with the National Assembly and as stated in the positions, the government must also continue to carry out active work in order to discuss our common problems. Our principled position is quite clear and we have repeatedly expressed this position. We respect the efforts and policy of the SR of Romania and highly appreciate their results in the development of their country. We have also repeatedly declared that, in our view, the Hungarian national minority living in Romania should actively participate in the activity of socialist construction in Romania. We have also repeatedly pointed out that we want to live in peace and friendship with neighboring Romania. We have often declared that we do not entertain any ideas of border revision, and we regard the present borders that emerged following World War II as a historical fact and do not intend to change that. However, we did demand—and not only now—that the Hungarian national minority living in Romania be able to foster contacts with their relatives living in Hungary and with the Hungarian People's Republic, be able to enrich their cultural values, and be able to foster the historical and cultural roots on which generations grew up, and preserve these roots for future generations. And we also demanded that there be normal and balanced conduct between these two countries that have identical political systems.

Except for some lesser or greater disturbances, for a long time we have felt that our cooperation has been moving in this direction. Lately, however, all of us have been surprised by the revival of a 10-year-old idea to destroy many thousands of small villages. There might be economic considerations in reorganizing and regrouping small settlements. The decrease in the number of small villages in Hungary also seems to be a normal process. It makes a difference, however, whether this is the result of some forced action or whether it occurs as a direct result of internal economic laws, in other words, as a result of a process of internal integration. If this is the case, the citizens will accept such a program voluntarily. The other aspect of this question is that a concentration that is justified by economic reasons should not mean the elimination of cultural values and those of the national minority. The current passionate reaction in Hungary partially derives from the fact that we are not fully aware of the considerations that are behind the oft-declared economic rationalization. At the same time, we do see and feel the disadvantages all this represents for the fostering of national culture and values.

[Pinter] How do you evaluate the Hungarian public's reaction to the decisions of the Romanian leadership? To what extent does this reaction support the decision of the MSZMP and of the Hungarian Government to use every possible means to settle relations with Romania?

As in any other democratic country, in Hungary, too, the citizens have the right to express their convictions and opinions. Of course, people do this with different degrees of passion, in accordance with their temperament and customs. It is only natural and, I repeat, a civil right that a lot of Hungarian citizens expressed their concern. Our government has had no intention and will have no intention of preventing the people from expressing their feelings and opinions. At the same time, however, if this expression of opinions were not objective and if it were to have an exaggerated effect on the political atmosphere, all this would not help the dialogue because, naturally, this would give rise to emotions on the other side, too, emotions that would further deteriorate the situation. Therefore, people are justified in expressing their opinions. But everyone should be warned not to reach the wrong conclusion from all this, and to refrain from taking up the position according to which one can help solve this problem by avoiding objectivity, rather than by employing an adequate tone.

[Pinter] How do you evaluate the international reactions to relations between the two countries so far?

[Grosz] In my opinion, the international reactions so far have been considerably reserved in their tone, either from governments or from parliamentary or cultural organs. I think this is natural because everyone tries as much as possible to steer clear of issues whose details are not known to them. At the same time, quite a few foreign reactions expressing an intent to help have been published, and these reactions were prompted by concern

over the possibility that relations between the two neighboring countries might show a lasting deterioration, and this would not benefit the two peoples, Europe, the international process toward detente, dialogue, or the understanding that has recently accelerated.

[Grosz] We must consider it extremely important that the U.S.-Soviet dialogue has become so active and so dynamic, and that the great powers have been seeking opportunities for cooperation not only among themselves but also with smaller countries. Proof of this is my upcoming visit to the United States to represent the Hungarian People's Republic at the invitation of President Reagan. There have been multilateral and deliberate efforts lately to bring about a spirit of dialogue, detente, and cooperation. The lasting deterioration of relations between two neighboring countries in central Europe would have a detrimental effect on these efforts. Therefore, the concern expressed by these international reactions is justified.

We Should Settle the Issue Among Ourselves [subhead]

[Pinter] In your opinion, what assistance could the community of socialist countries provide in the very near future for settling relations between the two countries?

[Grosz] I think that the other socialist countries do not need to deal with these issues. Each of them can best contribute to the settling of these issues if they conduct their own national minority policy consistently and according to the Leninist principles. There are many positive examples of this, including the national minority policy of the CSSR. We also see that members of the Hungarian national minority living in Yugoslavia have integrated themselves with full equality and rights into the social, political, and economic life of this country, and the same is true of the Hungarian minorities living in the Carpathian Ukraine. I think, therefore, that these countries can provide the best assistance to us for maintaining a dialogue here in central Europe if they continue their national minority policy in this constructive spirit.

[Pinter] Has the Hungarian People's Republic considered turning to an international forum to halt the debate between Romanian and Hungary?

[Grosz] Yes, it has. Several National Assembly deputies have submitted proposals to this effect. There are a lot of letters on my desk which contain such proposals; and various Hungarian public bodies and associations took such a position, like the Writers Association. In spite of all this, in my opinion the two countries must settle this issue among themselves and do not need to ask the assistance of any international body.

The Premier's Intention To Travel Is Still Valid [subhead]

[Pinter] Do you see, at present, the scenario of such a settlement?

[Grosz] We can prepare a scenario only if both sides want this. I can only explain how I picture my scenario. I do not know whether this is suitable for my partners' scenario. I think that it is a political necessity and moral obligation to conduct a dialogue and talk about these issues personally too. I think it is my duty to make use of the opportunity of my invitation to the SR of Romania in my capacity of premier. I think that my election as general secretary of the party does not justify any change in this invitation. If they welcome me there as the chairman of the Council of Ministers of the Hungarian People's Republic, I will gladly and readily go, even if it is very difficult to predict what such a visit will contribute to solving the tension between the two countries. I am convinced that unless we talk to each other, we will not be able to express and understand our positions. This cannot be lastingly achieved by acting like two small boys who shout at each other over the fence.

[Pinter] Common sense would dictate that your visit to Romania be thoroughly prepared and that foreign ministerial talks and talks between Central Committee secretaries precede your trip. Can you disregard these preparatory talks?

[Grosz] If our Romanian partners want to hold these talks without preparations and without this scenario, the chances will be greater that we will return without achieving the proper results. The task of preparations is not to go through a hierarchy of steps but to clarify the issues that need consultations at the highest level. Therefore, I consider it extremely important to hold preliminary negotiations between Central Committee secretaries and foreign ministries, because of the content of this activity.

Is There a Promising Element Too? [subhead]

[Pinter] Has a date already been set for these preparatory talks?

[Grosz] There is not a date yet. We have sent our proposals and we are now waiting for an answer. The moment we receive it, we will go. Of course, we must talk about substantial issues, and not about secondary or third quality issues; otherwise, there is no sense in preparatory talks. It seems to me that we need more calm for substantial issues.

[Pinter] Has the date of your planned Romanian trip been delayed as a consequence of recent events?

[Grosz] Not on my part. I do not know whether this is the case with my partners. My intentions are unchanged. Of course, if events occur that are unpredictable and which exclude the possibility of intelligent dialogue, then

it will be useless to trouble each other. At the moment, however, I do not see any reason to change my original intention of visiting Romania.

[Pinter] Are there any regular and direct contacts between you and Nicolae Ceausescu?

[Grosz] No, there are no contacts at all, and there have never been. No such tradition and practice have evolved, and, ever since I have been working as a premier, I have seen no reason to set up such a practice because my partnership had to develop with the Romanian premier, Comrade Dascalescu, and not with the Romanian party general secretary and Presidential Council president. With Comrade Dascalescu, we are conducting a dialogue through our respective ambassadors. My invitation to visit Romania was also made through this channel. Ever since I became general secretary of the party, it has been impossible to deal with this issue at all, and we have not seen any reason for this until now.

[Pinter] Along with the obviously alarming events of recent days, do you also see promising elements?

[Grosz] I consider it important that Comrade Ceausescu stated that the Romanian leadership intended to settle the differences and tried to increase cooperation between the two countries. This is the basis on which one can and even must continue the efforts to eliminate our differences of views.

Szuros Interviewed on CPSU Conference

AU0507145388 Budapest NEPSZABADSAG in Hungarian 2 Jul 88 p 5

[Interview with Matyas Szuros, secretary in charge of foreign affairs of the MSZMP Central Committee, by foreign policy correspondent Istvan Zalai: "The Soviet Party Conference Can Give an Impetus to Socialist Renewal—Matyas Szuros Interview to NEPSZABADSAG"—date and place not given]

[Text] The 19th CPSU Conference aroused great interest all over the world, including Hungary. In an interview with Matyas Szuros, our correspondent asked him about his views on recent events in Moscow.

[Zalai] Naturally, it takes time to carry out a thorough analysis of the CPSU Conference, but a short balance can, no doubt, already be made. In your view, what was the main novelty in Mikhail Gorbachev's report to the Conference?

[Szuros] In my view, the main importance of the Soviet party conference, which took place in a spirit of openness and democracy and in a relaxed atmosphere, was that it gave a new impetus to the restructuring process, which has slowed down. Harsh realism and tough criticism of factors and mechanisms that hinder this process, and self-criticism were needed in order to achieve progress. Mikhail Gorbachev's report, his repeated observations, the tough debates, which included the personal responsibility of top leaders, and the entire work of the conference were characterized by this criticism and self-criticism.

I have been following Soviet developments for 30 years, and I have tried to thoroughly analyze the process that has been under way since April 1985; I was slightly surprised that the Soviet leadership itself seems not to regard restructuring as an irreversible process. I understand this because, on the basis of Hungarian or even Chinese experiences, we have been able to see occasional sudden halts and fluctuations in the reform process. The danger of reversal in this process can, naturally, exist in the Soviet Union, too. However, I continue to hold—and this is in harmony with the spirit of the party conference—that there is no way back for the Soviet Union either.

A radical reform of the political system is vital in order to avoid reversal and achieve progress. Of course, it is necessary to defeat a considerable conservative opposition in order to carry out such a reform. This requires balanced actions. The conference Theses and the report also show that the leadership has rationally taken into consideration both the necessary and the possible compromises.

Man at the center of things is one of the major elements of the ideals of a socialist constitutional state and of a democratic and humane socialist society. Dealing properly with the national and national minority issues and respect for national self-awareness are indispensable requirements, too. This can provide an example for other socialist countries. The increasing stress on a broader interpretation of human rights in the Soviet Union is an essential factor.

It is also worth mentioning that at the party conference there was evidence of a greater stress on the intellectual sphere and on the social role played by the intelligentsia. This is only natural because this issue is closely related to reshaping the people's awareness and accepting the general human and Soviet values, as well as to accelerating scientific and technological progress.

At the same time, the conference also showed that, as in other socialist countries, economic restructuring, reform of the mechanism, and structural change are among the most difficult and complex tasks facing the Soviet Union too.

[Zalai] As you mentioned, Mikhail Gorbachev repeatedly stressed that, in addition to drawing a balance of the first 3 years of restructuring, it is the task of the party conference to deepen the restructuring process and make it irreversible. In your view, what are the main points that guarantee this process?

[Szuros] I think the first guarantee for this is the mobilization of tens of millions of Soviet citizens, their active participation in "high-level politics," and their participation in preparing decisions in work places and residential areas and in supervising their implementation—in others words, a self-governing democracy that includes the renewal of the system of local councils. This requirement will break open the 50-year-old rigid framework of a political mechanism burdened by bureaucratic centralism. It is essential to eliminate the phenomenon of alienation from power in order to mobilize the people. It is, of course, also essential to quickly ease the social and supply problems and solve them as soon as possible, because people assess the efficiency of a particular policy primarily according to a favorable development of their living conditions.

Pluralism of opinions, free debate, and respect for opposing positions—in other words, openness that has proved to be one of the most important means and most efficient areas of restructuring—are organic components in the implementation of democracy. The need for the party to determine and exercise its social and political guiding role in a constitutional framework in harmony with the new situation, and to be able to lead the process of renewal are decisive requirements from the viewpoint of providing institutional guarantees. All this inevitably requires a new type of apparatus which is subordinated to the elected bodies and a differentiation between party and state tasks.

[Zalai] The report dealt relatively little with foreign policy, foreign relations, and issues of the international workers movement, which, of course, do not qualify the content. However, both the report and the party conference as a whole can have a considerable effect on world political affairs, the international workers movement, and especially on the socialist countries. What is your opinion about this?

[Szuros] The CPSU Conference convened to debate internal problems and to determine the direction for further advancement. However, anything that occurs in the Soviet Union has an effect on world political affairs too. The pace and success of restructuring can guarantee the new Soviet foreign policy concepts and efforts. A good example of this is provided by the INF Treaty or the courageous decision on Afghanistan. The party conference confirmed the new policy, which has proved effective in practice, a new policy the essence of which—as Mikhail Gorbachev put it—is that in our age general human values have priority. At the same time, this will promote the further democratization of international relations, will further broaden the scope of small and medium-size states, and will further increase their responsibility. Mistakes of the past were strongly criticized at the party conference and self-criticism was also directed at the shortcomings of the last 3 years; all this shows the spreading of the new Soviet foreign policy attitude, and that openness and democracy have reached this area too.

Great importance is attributed to the confirmation of the comprehensive disarmament plan, which includes the Soviet readiness for the mutual withdrawal of foreign troops from other countries' territories and the elimination of military bases. Hungary is ready to continue to play an active role in the implementation of this disarmament plan.

I would like to point out that the party conference has designated as primary tasks for Soviet foreign policy the updating of relations between socialist countries, cleansing these relations of old habits, the renewal of CEMA cooperation, and the working out of efficient financial, monetary, and accounting forms. These efforts are fully in harmony with our own interests and intentions, but their practical implementation is not an easy task.

I think that the results of the CPSU Conference will also have an encouraging effect in other socialist countries on the renewal of their political and ideological concepts, the reform of their economic and political order, and the broadening of democracy, including the implementation of human, national, and national minority rights. Giving priority to democratic principles in interparty relations can give an impetus to the renewal of the global communist movement, which is searching for a way, and for a dialogue, cooperation, and collaboration between all left-wing and peace-loving forces.

[Zalai] We often mention the common features of the Soviet restructuring process and of the Hungarian reform efforts and their mutual strengthening effects. What elements of the CPSU Conference enriched these processes? What are similar, and what elements would you gladly see in the Hungarian reform concepts and practice?

[Szuros] The conference of Soviet Communists again proved that the logic and basic goals of the Hungarian and Soviet reform policies are identical, and many concrete concepts and measures are quite similar or, occasionally, completely identical. We have a mutual interest in each other's successes and in studying each other's experiences. This further increases Hungary's great interest in the Soviet reform efforts. It is also obvious that the two countries' capacities are different and there are differences between the two reform processes in respect of their stages; thus, we should not seek common features in completely identical solutions. As for the experiences that we can make the best use of here in Hungary, these are primarily the courage to evaluate the concepts, the situation, and the consequences, the openness and steadiness of political thinking, and the organic correlation between its basic principles. I am convinced that, both from the Hungarian and Soviet conferences, we can draw the conclusion that, in our countries, the stress is shifting now toward a determined and firm practical activity.

Finance Minister on Bond Market Crisis

LD0707143588 budpaest MTI in English 1146 GMT 7 Jul 88

[Text] Budapest, July 7, 1988 (MTI-ECONEWS)—"The budget has never taken a part in backing the bonds market and does not intend to change the practice in the future either. The state cannot afford to compensate the market for loss of profit sustained as a consequence of the 15 per cent inflation (increase in consumer price level). The bond market simply has to meet challenges of this order", said Minister of Finance Miklos Villanyi.

It is the second crisis for the Hungarian bond market. The first came at the end of last year when in the heat of a spending spree unleashed by the impending introduction of the new tax system many people parted with their securities and unsold bonds piled up at some banks. At that time the market was stabilized through various banking measures that included a premium on interests and the opening of the futures market.

This year's 15-16 per cent inflation has brought negative real interest returns on bonds purchased by individuals. The national savings bank, the population's bank, has in the meantime considerably raised interest rates on deposits so that by now the returns on long-term deposits surpass the premium-added interests on bonds.

This year 5 billion forints (USD 100 million) worth of treasury bills were issued in a bid to slash the budget deficit, and over 2 billion forints (USD 40 million) worth was sold.

In the meantime the Ministry of Finance has raised interest rates on treasury bills, as well. The move has encouraged some bonds dealers to urge the minister of finance to bring measures to back the bonds market.

The financial administration has refrained from complying.

MSZMP's Ivanyi Comments on Budapest Elections

AU0707185888 Budapest NEPSZABADSAG in Hungarian 28 Jun 88 p 3

[Interview with Pal Ivanyi, member of the MSZMP Politburo and chairman of the Budapest City Council, held at the conclusion of an extended session of the MSZMP Budapest Committee on 27 June, by Laszlo Hovanyec: "Pal Ivanyi: Nobody Has Lost."]

[Text] [Hovanyec] The party committee elected Mihaly Jasso as party first secretary with a marginal majority. Do you, as a runner-up, feel that you have lost?

[Ivanyi] I do not consider myself a loser for several reasons. The fact that one is at all nominated for the post of Budapest first secretary is already qualified by the importance, the traditions, and the prestige of the Budapest party movement and the actual tasks themselves. Without putting on an act, I can state that a person who has been nominated here cannot be a loser. This is one thing. The second thing is that I do not consider myself to be a loser because 1 and ½ years ago the same party committee voted its confidence in me before it elected me chairman of the city council. I also have quite a lot to do in this function, and I only hope to have the strength to carry it out. Finally, I have been friends with Comrade Jasso for years, and so I can say with conviction that he is suitable for the job the party committee has elected him to do.

[Hovanyec] An unprecedented situation has emerged in the present elections: Instead of a Politburo member, a Central Committee member was elected.

[Ivanyi] The fact that we are talking about an unprecedented situation is also demonstrated by the fact that many people have said a lot about how peculiar it is, the fact that a Politburo member and a Central Committee member have been nominated as a pair. I think that this nomination was also a useful way to demonstrate that we should get rid of certain previous reflexes and practices. For example, the importance of bodies and the significance of the members of these bodies should be evaluated differently. The party conference has decided that, first of all, the role of the Central Committee as the political decisionmaking body should be strengthened. That is, between two party congresses, the Central Committee should be the highest and most important party organ, not only in words, but also in practice. We are both members of the Central Committee, and in this respect there is no difference between the rank of our organizational membership. Politburo activity, which is increasingly shifting toward the preparation of decisions and organization, is responsible work. However, as regards political decisions, the superiority of the Central Committee is indisputable.

[Hovanyec] Nevertheless, I will still ask: Are you aware of any plans in the near future which concern you, as a Politburo member?

[Ivanyi] I think—in fact, I am certain—that I have not been elected a Politburo member because some particular "cadre concept" has been developed in my case. At least, I hope it has not. I am doing the work I am engaged in with great enthusiasm and willingness. The work of the councils is also about to be renewed. A lot is to be done in this area. This is why I am glad to be able to continue this work. I hope I will be able to work for a long time as head of the municipal council.

Lukacs Speaks at Workers Militia Conference

LD1106224688 Budapest MTI in English 2044 GMT 11 Jun 88

[Text] Budapest, June 11 (MTI)—The national conference of the commanders of the workers' militia which started in Budapest on Saturday was also addressed by Janos Lukacs, member of the HSWP Political Committee and secretary of the Central Committee.

Concerning the importance of the national conference of the HSWP, Janos Lukacs pointed out "the conference specified the principled political foundations, concrete fields and directions of party unity and a new social consensus. Although the delegates passed their resolutions in unity, this does not mean party unity. The party put forward its proposal for a new social consensus which should yet to be created.'

Janos Lukacs said that the public mood prevailing in the country has improved and become more optimistic, confidence is strengthening, the party has become more active, it displays self-confidence and readiness to act. The work is starting: deeds and an autonomous and responsible way of thinking are required now. We must make use of the favourable political circumstances and social conditions, Janos Lukacs said. He pointed out that the emotional elements are not lasting phenomena, the domestic and international effects will be short-lived if they are not followed by action. In the long run, the policy, the party and the government are assessed according to the actions rather than the intentions and the worlds. Janos Lukacs termed it as a shortcoming in Hungary's political practice that excessive role is assigned to the never-ending analyses and less attention paid to constructive solutions, ideas and actions.

'It is another lasting contradiction that we seek to have a more efficient society, party, government, economy, workers' militia, education and science, but we fear of undertaking the road leading to the unavoidable change and renewal, we are showing resistance in everyday life or waiting simply. The commanders' conference is working in the spirit of, and promoting, social and political renewal.' As to the reform of the system of political institutions, Janos Lukacs emphasized that 'the basic organizations including the workers' militia should be preserved and consolidated. We do not want to eliminate them. On the contrary, their work should be made more efficient.'

On the party Janos Lukacs said 'it is inconceivable to strengthen the leading role of the party without reconsidering the relations within the party and the ways of improving its work. The HSWP seeks to be a policy-making party which has an influence and encourages action and the achievement of results. Extension of democracy is the most topical task of the workers' militia as well but the assertion of centralism should not be pushed to the background either since a clear, understandable and consistent policy, resolute and calculable direction and strict supervision are indispensable requirements as well.'

Citizens, Media Plan for Gorbachev Visit 11 Jul

Rakowski Press Conference

LD0707163788 Warsaw PAP in English
1504 GMT 7 Jul 88

[Text] Warsaw, July 7—Mieczyslaw F. Rakowski, a PUWP CC Political Bureau member and CC secretary today held a press conference for Polish and foreign newsmen on the upcoming visit of CPSU CC General Secretary Mikhail Gorbachev to Poland.

The visit of Mikhail Gorbachev will be very important not only for the pro-reformative movement in Poland but for all of society as well, also those who are not interested in reforms, stated Rakowski.

Without doubt the Polish visit of the general secretary, whose position has been strengthened even more after the 19th CPSU Conference, will also strengthen the position of Polish advocates of economic and state reforms, Rakowski continued.

Asked whether the matter of Katyn would be touched upon during Polish-Soviet talks, Rakowski stated that the most important thing was that this and other similar cases were being looked into for some time, now, within a mixed commission set up to this end, at that. I would not make the positive development of Polish-Soviet relations conditional on the full explanation of this or other matter from history, the CC secretary added.

Asked with whom Gorbachev would meet during the visit, Rakowski replied that this was not yet put to full detail. It is up to the guest with whom he wants to meet and, as is known, Mikhail Gorbachev is not a man to avoid dialogue. The guest will surely want to talk with ordinary Polish citizens but the program absolutely does not envisage in which place militia cordons will be opened on the route (of the motorcade) to allow Gorbachev direct talks with the crowds, Rakowski revealed.

Asked what political element in the visit of the CPSU CC general secretary would he like to draw special attention to, Rakowski replied that one should stress the full concordance of goals and unanimity as concerns the problems which the communists of both countries are confronted with. During the visit the main accent will be placed on political issues because economic relations are a subject of permanent, regular talks, Rakowski said.

Everything is possible, stated Rakowski when asked whether Mikhail Gorbachev would meet with Cardinal Macharski in Krakow. Rakowski added that such a meeting did not feature in the program of the visit. On the other hand, replying to a question whether the issue of the possible creation of a Christian-Democratic party in Poland would be the topic of talks, Rakowski expressed doubt whether such a matter would be touched upon in the talks because both the Soviet and Polish sides have many a time repeated that Poland solves its internal matters by itself.

Economic cooperation cannot be effective if limitations persist in direct relations between the citizens of respective countries, Rakowski stated. He added that an excessive formalization of the principles governing contacts between societies in the past should be done away with in the nearest future.

Asked whether there any specific reasons why Poland was the first country which Gorbachev would visit immediately after the 19th CPSU Conference, Rakowski stated that the visit had no specific, secret goals. It will be simply a demonstration of the convergence of views, convergence of interests. I personally think that the visit will contribute to a further neutralization and drop in anti-Soviet attitudes in Poland, which do exist, to a reduction of distrust which by the way has been significantly reduced in the last 2-3 years. In short, while in Poland, Mikhail Gorbachev will, in my view, not only demonstrate understanding for what is being done in Poland and for the postures of Poles but will also work for the good of the future of Polish-Soviet relations, Rakowski concluded.

Workers Plan Strike During Stay

LD0707192988 Hamburg DPA in German
1839 GMT 7 Jul 88

[Text] Warsaw (DPA)—Some 4,000 people demonstrated today in front of the steelworks at Stalowa Wola in the south of Poland for the reinstatement of seven colleagues who were dismissed after the strike at the end of April this year. Opposition circles report that at the rally it was decided to organize a strike during Soviet party chief Mikhail Gorbachev's 6-day visit to Poland which begins on Monday, if the steelworks management had not yielded to this demand before then.

At the end of the rally, some 20 people known as activists of the trade union Solidarity were arrested. The reinstatement of the seven workers, who belong to the founding committee of the banned trade union Solidarity in the works, is being discussed in an industrial tribunal, which, however, according to Solidarity activists, is delaying a decision. According to Polish law, a strike at Stalowa Wola would be illegal in any case, since it is an ordnance factory.

'Bankrupt Politickers' Plan Action

LD0707211388 Warsaw PAP in English
2019 GMT 7 Jul 88

[Text] Warsaw, July 7—Polish society is preparing for a great meeting, that is for the several-day Polish visit of Mikhail Gorbachev. Preparations are being made with

an eye to a worthy welcome for the Soviet guest who, as shown by recent public opinion probes, takes unchallenged lead in popularity over any other foreign leader.

There are, however, bankrupt politickers who cannot reconcile to the fact that they no longer represent anyone. And this is why they want to mark their existence at any expense, on any occasion. They do so with a little help from certain Western news agencies, while in turn, reports of these agencies are subsequently broadcast by certain Polish-speaking Western radio stations.

Such people include Stanislaw Hanzlik, who appears in REUTER's and UPI's dispatches as a Solidarnosc representative. In a statement meticulously taken down in the last 24 hours by correspondents of the said agencies, he announced that Solidarnosc intended to make an appearance in Krakow. He condescendingly added that "the union does not plan to cause street disturbances when Gorbachev visits the town next Tuesday." He did not exclude, however, a possibility that the planned action "could still be altered and new forms could be included."

There is no need to doubt that should people of Hanzlik's kind have a chance to do so, they would not hesitate and would employ any form to manifest their presence. All the more so, as their desperate attempts of late April and early May this year confirmed that they were completely short of social support for their destructive operations.

Solidarity To Present Letter

AU0807064088 Paris AFP in English
0628 GMT 8 Jul 88

[Text] Warsaw, July 8 (AFP)—Leaders of the banned Solidarity trade union say they will attempt to enlist the support of Mikhail Gorbachev for more democracy in Poland when the Soviet leader begins a four-day visit here on Monday.

They are apparently hoping that Mr. Gorbachev, making his first trip abroad since the special Soviet Communist Party conference last week at which he launched an unprecendented appeal for sweeping political and economic reforms, will heed their call for change in Poland.

But the union will press its demands through official channels, handing a letter for Mr. Gorbachev, who has championed a new era of glasnost, or openness, in the Soviet Union, to the Soviet consulate in the southern city of Krakow.

Solidarity activists will refrain from street demonstrations during Mr. Gorbachev's visit to avoid charges that the union encourages social disruption, Stanislaw Handzlik, a local Solidarity official said.

Union leaders said their message to Mr. Gorbachev would stress the lack of true reform in Poland, which they said has failed to respond to the Soviet leader's programme of perestroyka, or economic restructuring.

The union will also put up banners and slogans to press its demands for political and economic reforms, which Mr. Handzlik said aimed "only to ensure well-being and peace" in Poland.

Solidarity seems to be viewing Mr. Gorbachev's visit as a chance to gain greater freedom in Poland along the lines he has advocated in the Soviet Union.

The Soviet party conference was seen as a victory for Mr. Gorbachev's reform policies, endorsing a package of resolutions paving the way for a partial transfer of power from the party to popularly elected legislatures.

The conference also agreed to limit the party's influence on the day-to-day running of the economy and other aspects of Soviet life, and imposed a 10-year limit on the tenure of party officials, including that of Mr. Gorbachev himself.

In another development, some 4,000 steelworkers at the Stalowa Wola plant in south-eastern Poland have threatened to strike during Mr. Gorbachev's visit if seven sacked workers are not reinstated, informed sources said.

The workers demonstrated on Thursday to protest the dismissals, which came after a strike at the steelworks in April and May. The seven, all of whom are Solidarity members, include two prominent activists, Wieslaw Wojtas and Zdzislaw Turasz.

Mr. Gorbachev, who will speak at the parliament in Warsaw on Monday before holding talks with Polish leader Wojciech Jaruzelski, will meet youth groups, workers and intellectuals during his visit.

On Tuesday he will meet youth groups from Poland and the Soviet Union in Krakow, before meeting shipyard workers the next day in the north-eastern city of Szczecin, where the first agreements officially recognizing Solidarity were signed in 1980. The union was banned two years later.

On Thursday Mr. Gorbachev will hold talks in Warsaw with Polish intellectuals including some figures sympathetic to the opposition, according to informed sources.

Raisa Gorbachev, the Soviet leader's wife, will visit the site of the Nazi concentration camp in Auschwitz, as well as the birthplace of the composer Frederic Chopin at Zelazowa Wola, 80 kilometres (50 miles) south of Warsaw.

After his official visit ends on Thursday, Mr. Gorbachev will remain in Poland to attend a meeting of the Warsaw Pact Consultative Political Committee, which opens on Friday.

Coverage of Visit Organized

LD0707214188 Warsaw PAP in English 2027 GMT 7 Jul 88

[Text] Warsaw, July 7—During a press conference at the "Interpress" press centre here, Editor-in-Chief of the Polish "Interpress" agency Jan Grzelak briefed journalists on organizational details of press coverage of Mikhail Gorbachev's visit. The centre, opened today, will function until July 14th and on that day it will change into the press centre covering the meeting of the Political Consultative Committee of states members of the Warsaw Treaty.

Applications for press accreditation were sent in by 810 journalists, including 410 from abroad. Together with technical staff, Gorbachev's visit will be covered by 1560 persons working for the press, radio and television. Among foreign groups the most numerous will arrive from the Soviet Union, about 100 people, the U.S. (78), Japan (41), Great Britain (31), and the FRG (30).

Together with the Soviet side, we adopted the principle that all items on the itinerary of the visit of the CPSU CC secretary general and his wife will be accessible for journalists. Access will be limited by the number of places reserved for journalists. Priority will be given to Soviet and Polish journalists, said Grzelak.

The Warsaw-based headquarters of the centre will serve for meetings and press conferences with renowned representatives of the Polish and Soviet political and economic life. Spokesmen for the delegations will be spokesman for the Polish Government Jerzy Urban and head of the Main Board of Information of the Soviet Ministry of Foreign Affairs Gennadiy Gerasimov. Press conferences and briefings with their participation will be held at the Warsaw press centre and in two of its branches, in Krakow and Szczecin.

CPSU Conference Controversial Issues Examined

AU0707124288 Warsaw SLOWO POWSZECHNE in Polish 4 Jul 88 pp 1,2

[Michal Kolodziejczyk dispatch: "On the Phone From Moscow"]

[Text] If the Wednesday debates at the 19th CPSU Conference were dominated by arguments against Professor Albakin's controversial statements and the Thursday debates by Delegate Melnikov's personal attacks, the Friday debates were dominated by the so-called Yeltsin case. B. N. Yeltsin lost the post of the first secretary of the Moscow party organization and his Politburo membership when at a Central Committee plenum he criticized the highest authorities for lacking a cohesive implementation concept for perestroyka. In particular, he personally accused Y. Ligachev, Politburo member and Central Committee secretary, of allegedly slowing down the speed of perestroyka and the country's democratization. Last Friday, at the end of his, speech devoted mainly to reforming the Soviet system, B. Yeltsin asked the delegates to rehabilitate him, arguing that his speech in November 1987 was a premature action. However, most speakers following him took a different view of the matter. Y. Ligachev's statement during the discussion was of decisive importance in this regard and contained many charges against Yeltsin's work style in the Politburo and the Moscow party committee, a style calculated to win him cheap popularity. Ligachev's statement was marked by dramatic moments and by the defense of some members of the leadership, dating back to the Brezhnev era, who supported Gorbachev at a decisive moment in 1985. The conference's response to the confrontation of two positions on the issue of party work methods was very lively, and in the end it agreed to give priority to the principle of "make haste slowly," meaning that reform activities should not be launched without adequate theoretical and practical preparations. The tenor of the statements criticizing Yeltsin (some people tried to defend him) was: Democracy makes it necessary for one to thoroughly submit oneself to the decisions of the majority and to observe party discipline. This attitude demonstrated the conference's criticism vis-a-vis the publication of Yeltsin's controversial interview given to the BBC.

CPSU activists, who naturally filled the conference hall, are somewhat jealous of the prestige and prerogatives of the party and do not think that they could enforce their own views outside of party structures. This was where B. Yeltsin tripped himself.

"Criticism is like air to us," the chief editor of PRAVDA said when addressing the conference as the last journalist. Nevertheless, he conceded that press criticism has not always been able to suggest solutions to problems posed by perestroyka. A little earlier, the chief editor of the ZNAMIYA monthly, who is a prominent representative of printed word, discussed one of the subjects that were still taboo not so long ago: Afghanistan. "To withdraw our troops from Afghanistan called for courage and political wisdom. But of what wisdom were possessed those who sent out troops there?" he asked. General Boris Gromov, one of the commanders of troops in Afghanistan, had different views on this. His appeal to take increased care of the veterans and heroes of that war was supplemented by the appeal not to deprive young people of their faith in the shine of war biography [biografia]. His statement earned him more applause than all the "scribes" who were present in the hall and who are not very much liked were able to earn. The conclusion (not mine) of all this is that people in the Soviet party are just beginning to learn how to hold

discussions and that not everyone finds it easy to switch over from personal political showdowns with the critics and to present effective counterarguments instead. This is what I heard from one Mikhailov, a very cautious if not downright conservative writer, who spoke at the meeting between the delegation of the Moscow party organization and journalists just before the final stage of the conference began. The only conclusion that meeting reached was that it is impossible to score easy propaganda successes without honest work and that the essence of democratization is not personal attacks, but an effective political platform with the help of which the CPSU could efficiently fulfill its constitutional leading and inspiring role.

You could talk for hours about the discussion during the conference's last day in terms of the white or rather black book relating to the personality cult and the privileges of leading functionaries, privileges that in Y. Ligachev's view are being exaggerated as proved by the fact that the average pay in the party apparatus amounts to R216 a month. (I myself saw in Moscow many advertisements offering just a little less for jobs as cleaners or porters at inferior hotels.) You could talk for hours about the economic independence of the republics and of the finances of the CPSU. Although only 20 percent (66 out of 300) of prospective speakers could take the floor, 150 more were able to air their views during drawing up the resolution.

Compared with those riches of ideas and proposals, the very conclusion of the conference was rapid and smooth and, you could say, was accomplished in the old style. Resolutions were adopted unanimously, but conference documents are exact records of whatever was said. This was followed by the magnificent Gorbachev, who canvassed for final remarks and asked the conference: "Have you had enough of talking?" There was the singing of the International, the appeal for work, and the remark that the correctness and greatness of what took place would be judged by life in the same way life has judged the errors of the past, the victims of whose lawlessness will be honored by a monument to be erected in Moscow. When I was leaving Moscow, the soldiers who stamped my passport asked me: "Do you think that perestroyka will materialize?" I answered by freely paraphrasing Gorbachev's words: "There is no other way. The beginning has been good. As for the future, well, we have to go on living, we will see."

Rakowski Receives USSR Delegation

LD0607220888 Warsaw Domestic Service in Polish 1700 GMT 6 Jul 88

[Text] [PZPR Central Committee secretariat member] Mieczyslaw Rakowski today met with the Soviet delegation staying in Poland in connection with the days of the KOMSOMOLSKAYA PRAVDA. He was asked questions by the guests and by our reporter Magdalena Wieniarczyk.

[Begin recording] [Wieniarczyk] It is sometimes said in official communiques that the meeting was held in a climate of great warmth. I don't like this expression but I think that it could well apply to today's meeting with the delegation from the KOMSOMOLSKAYA PRAVDA.

[Rakowski] No doubt this is so, not just in the warm climate but also in the climate of openness in asking questions which could be even considered by someone as difficult or embarassing.

[Wieniarczyk] You were frank to the point of pain.

[Rakowski] I think that such frankness is necessary if we are to be men of action, creative people, progressive, or wishing to be progressive—to be called progressive one has to be frank because people—and you have no doubt found this in your journalistic work—very quickly guess what is frankness and what is hypocrisy, half-truth and the full truth. So far the progress in the world has occured only when the truth was pronounced in an unambigious manner, without saving anything or anybody.

[Wieniarczyk] Which of the issues mentioned today seems to you as the most important? On which matters were most such frank words uttered?

[Rakowski] I think mostly on matters of young people, of the situation of young people in Poland, and on how I see the young people and the young generation of Poles, and the matters concerning the economic situation and those connected, perhaps not so much with the economic reform but with the view that there is an economic crisis in Poland and the consequences of the crisis.

[Wieniarczyk] But the crisis does exist, does it not?

[Rakowski] Yes, but as you have noticed I spoke about the need to differentiate between various wages and kinds of working conditions of various groups of population. I opposed—and this is, as I would put it, my old favorite hobby horse—I opposed the commonly seen view that in Poland the crisis is so profound that nothing can be done. In my view one should not agree with such an opinion, as a lot can be done. Anyway, I think that although we are all being worn down by life and things are made difficult, these everyday problems are not always linked to the amount of money one has but to the shortages in the shops, where one has to walk for kilometers in large cities to obtain something. These are the matters which are wearing people down and causing the moods of frustration and often create a fertile soil for dislike of the authorities or certain programs or plans presented by the authorities. [end recording]

Jaruzelski Cables Condolences to Khamene'i

LD0707174688 Warsaw PAP in English
1633 GMT 7 Jul 88

[Text] Warsaw, July 7—President of the Council of State Wojciech Jaruzelski sent a cable of condolence to President of the Islamic Republic of Iran Seyyed 'Ali Khamene'i in connection with the tragic death of the passengers and crew of the Iranian airplane shot down by the U.S. Navy.

Sadowski Interviewed on London Visit, Talks

AU0807091988 Warsaw TRYBUNA LUDU in Polish
25-26 Jun 88 p 9

[Interview with Deputy Premier Zdzislaw Sadowski, chairman of the Government Planning Commission, by PAP London correspondent Mariusz Kulinski, in London on 24 June]

[Text] Question: During your talks with representatives of British economic circles and politicians, you must have acquainted yourself with the profound changes that have occurred in that country during 9 years of Conservative rule, particularly the economic changes. Are the British experiences and the methods of carrying out changes not an interesting subject for Poland to a certain extent?

Answer: As far as the restructuring is concerned, for example in mining or steel production, the British experiences are very interesting. This also applies to the British activity aimed at boosting enterprise. Of course, the differences in system are very important. But the economic problems we are facing are similar to those that faced Great Britain several years ago, and therefore I feel that, for example, concerning the special organizational undertakings aimed at closing down inefficient enterprises and increasing the productivity of remaining ones, we may and should take advantage of British experience.

Question: Prime Minister M. Thatcher often says that the basic incentive for human activity, provided by a desire to improve one's own family's standard of living, may at the same time be a driving force for economic progress in the entire country. How do you view the effectiveness of the methods of economic revival applied by the British Government?

Answer: I view them highly. But that does not mean they have to be copied exactly. For example, Prime Minister M. Thatcher places heavy emphasis on the privatization of the economy. That is understandable, for that is the British experience. However, Lord Young and I agreed with each other that it is not the form of ownership that matters the most, but the way in which the market behaves.

Question: The changes in employment that are accompanying the British economic restructuring, for example the 25 percent fall in employment in the production industries since 1980, have encountered sharp protest from society, signs of which were the miners' strike which lasted 1 year, the printers' strike, and this year the strike by motor industry employees, textile industry employees, and car ferry crews. When viewing Polish affairs, do official British circles realize the social costs of these changes in their own country, such as unemployment, which, despite the decline during the past 18 months, is still over twice as large as when the Conservatives came into office?

Answer: The question of unemployment is different in our country because of the differences in system. We neither want to or need to employ the instrument of mass unemployment. This weakens the effectiveness of our actions in an economic sense and on a daily basis, but we cannot use this instrument for political reasons. Economically, we do not have to because apart from spheres where employment is excessive, there are spheres where it is too low. Therefore we will not make use of the experience of unemployment, but we will make use of very interesting British undertakings involving the state's creation of very many new work places and the transfer of employees from enterprises that have been closed.

As far as an awareness of the problems accompanying the Polish reforms is concerned, I can say that the British side is displaying great understanding for them, as well as for our assessment of the Polish socioeconomic situation. They realize the direct link between this assessment and the economic situation.

Question: What sort of attitude toward Poland have you encountered among economic circles here? Do you think they are ready to profit by the possibilities posed by the Polish reforms and our place in CEMA?

Answer: Cooperation with Poland clearly interests all circles. They are reacting very energetically toward our openness toward foreign investments in Poland, but they stress that it is usual for a British businessman to be a little reserved and even conservative. It takes time and extra cooperation to overcome this.

The answer to the question whether the British partners are ready to make use of the new possibilities is—no, not fully. They have not yet realized that the system has been decentralized and that the market must be penetrated on a broad scale and direct contact with individual enterprises established. They are still used to cooperation with a few foreign trade organizations.

Question: Prime Minister M. Thatcher is pursuing a very energetic policy in East-West relations. Do you think the British Government's energy vis-a-vis Poland suits British aspirations in this regard, the traditions of our bilateral relations, and the status of both countries in Europe?

Answer: The fact that a visit to Poland by Prime Minister M. Thatcher is planned for the very near future shows that she and her government attach importance to cooperation with Poland and that, just like us, the British side believes it is necessary to invigorate it. This would mean that the present level still does not suit mutual aspirations. We want cooperation to be intensified, and we do see possibilities of intensifying it.

Szalajda Interviewed on FRG Visit

LD0507230188 Warsaw Television Service in Polish 1730 GMT 5 Jul 88

[Text] Having come back from his visit to the FRG, Deputy Premier Zbigniew Szalajda gave an interview on Polish-West German relations.

[Begin Szalajda recording] I think that there is the time, the need, and the chance to tackle the long-term development of our relations in a principled manner, resulting from the agreements of 1970 and our history, and also in a modern manner, in a generous manner, both in the political and in the economic sense. I think that such a chance exists. My visit has confirmed the good will of the other side, expressed above all by Chancellor Kohl in a long conversation with me. As regards our side, such a good will exists too, with keeping all the principles, of course. Therefore, if we can do this—and here I am moderately optimistic—if both sides are capable of such a modern, principled, but also generous attitude in resolving difficult matters, political matters which have not yet been resolved, and also an unconventional solving of economic matters, then I think we could look optimistically into the future.

We must consider that this our biggest Western partner who has been supplying, traditionally, modern technologies, modern machinery; who is traditionally linked with us by cooperation and bonds of specialization, and at the same time our biggest creditor. This unconventionality would be in the form of impulses in the shape of modern machinery and technologies for our economy, so that it can be modernized and reconstructed by cooperation with such a strong partner, so that the economy becomes more modern and more export-orientated, and thus gains the means which could give material satisfaction to this biggest creditor in the shape of debt repayment, and also build this economic cooperation on lasting foundations which would constantly continue to increase our trade with this extremely important partner. [end recording]

Minister's Statement on Treaty Anniversary

LD3006205188 Warsaw PAP in English 1835 GMT 30 Jun 88

[Text] Warsaw, June 30—In connection with 20th anniversary of the Treaty on Nonproliferation of Nuclear Weapons (NPT) the Polish foreign minister made a statement which said that the treaty, signed owing to concerted efforts of international community, including three great powers having nuclear weapons at their disposal, had been well playing its role and passed a practical test.

In the past twenty years the treaty has become the basis for an international regime of nonproliferation of nuclear weapons, on the one hand, and has created favourable conditions for broad international cooperation in the peaceful use of atom, on the other.

Next to the Soviet-American treaty on elimination of medium and shorter-range nuclear missiles the NPT—with its 137 signatories—is one of the basic and most important agreements in the sphere of reduction of armaments and nuclear disarmament which have been signed so far.

Poland, though it is a state which neither has nuclear arms nor has ambitions in this direction, has made its own contribution to the cause of reducing armaments and disarmament, both nuclear and conventional one.

Already at the start of the nuclear era—in 1946—Poland presented the U.N. with a proposal for the General Assembly to recommend parliaments of member-states to adopt laws on mutual exchange of results of scientific research in the field of nuclear energy andits exclusive use for peaceful purposes, on support for U.N. efforts for control and supervision over the peaceful use of nuclear energy and on elimination of nuclear and other mass destruction weapons from national armed forces.

Our efforts for freeing Europe and the world from the dangers of nuclear confrontation have been reflected in the known Polish peace initiatives aimed at freezing and reducing nuclear armaments in central Europe, and, recently, in last year's concept of decreasing armaments and increasing confidence in central Europe known as the Jaruzelski Plan. Nuclear disarmament problems play a significant role in this plan.

Poland has been and will be supporting all initiatives aimed at consolidating the treaty on nonproliferation of nuclear weapons.

PZPR Politburo 21 Jun Session Communique

AU0707154488 Warsaw TRYBUNA LUDU in Polish 23 Jun 88 pp 1, 2

[PAP headline: "PZPR Politburo Session Communique"]

[Text] The expansion of Polish-Soviet economic relations and direct cooperation between enterprises and scientific research centers in both countries was the subject of a PZPR Politburo field session held at the "Mera-Blonie" Precision Instrument Factory on 21 June. The session was attended by representatives of the

factory and scientific centers that maintain ties with Soviet partners. The factory in Blonie is one of Poland's leading exporters to the Soviet Union.

Polish-Soviet cooperation has produced many achievements and it has good prospects for the future. It gives genuine, everyday expression to the ideas of alliance and friendship between the peoples of Poland and the Soviet Union.

Advantageous ties between the economies of the two countries facilitate the modernization of production, the introduction of the latest scientific and technical solutions, the strengthening of specialization and cooperation, and increased efficiency and export capacity. It creates opportunities for extending production runs, lowering production costs, making goods more competitive, and improving consumption, which is in the interest of both countries and the international division of labor.

Four our economy, our Soviet partner guarantees—now and in the future—constant supplies of essential raw materials and fuels, as well as up-to-date technology that is essential for the modernization of our industry, machinery, and equipment. These imports have to be offset by our exports.

The large, stable Soviet market creates interesting prospects for Polish exporters. But it is no longer easy to export to this market; it is becoming increasingly demanding in every respect. Competition is becoming fiercer. The market is being entered by world famous companies that offer goods that meet the highest technical and technological standards. They are seeking to obtain a firm and permanent position in trade with the USSR. This rivalry is forcing our plants to make great efforts to meet the increasing challenges of international competition.

The similarity between the changes being produced by the second stage of the reform in our country and the Soviet program of "restructuring" is strengthening fruitful contacts and the integration of economic and scientific and technical efforts. Bilateral meetings, including those at the highest level, and talks between party and government delegations affirm the common desire to strengthen economic ties and improve the mechanisms of cooperation.

The state of political relations and, in particular, the good atmosphere surrounding mutual contacts are having an exceptionally beneficial effect and are encouraging economic and commercial ties with the USSR. This is a form of capital that has to be used wisely and effectively. Economic cooperation with the USSR must cover the widest possible range of areas, including those in which Poland has obtained a strong position. We have to effect a significant enhancement and stabilization of mutual ties. In striving to be a partner that is businesslike in negotiations, reliable, and that discharges the responsibilities that have been assumed on time, we should make a common effort to establish production cooperation and conclude the best possible long-term agreements that guarantee mutual advantages.

The Politburo assessed the current state of cooperation. The basic tasks for the 5-year period are being accomplished in line with the principles that have been adopted. Over the last 3 years, economic and scientific and technical cooperation has been significantly enriched and its forms and scope have been expanded, although obstacles still remain that have not been removed.

At the present time, it is both necessary and imperative to make a further move to strengthen cooperation between Poland and the USSR. This will undoubtedly be assisted by the visit that CPSU General Secretary Mikhail Gorbachev will pay to our country in July.

The Politburo acquainted itself with a report on the implementation of the Long-Term Polish-Soviet Program for Scientific and Technical Progress Through the Year 2000. The first tangible effects are the modernization of production technology, principally in the fields of electronics, automation, biotechnology, the production of general goods, and in biocybernetics, and biomedical engineering. It is envisaged that this year will see the completion of research and development work relating to 75 tasks. Forty-nine prototypes will be developed and 31 products of research and development work will be applied in production. The Politburo recommended that work be accelerated and that achievements be more rapidly applicated in production.

The Politburo carefully discussed experiences described by those who had been invited to attend the meeting. The experiences had been accumulated during the course of direct cooperation between enterprises, other economic organizations, and scientific research centers. The establishment of joint production plants—a very promising form of cooperation—was also discussed. More than 200 enterprises and 130 scientific research centers are involved in this kind of cooperation. Cooperation is particularly productive in meeting enterprises' most pressing needs with regard to the supply of technical equipment and machinery used in manufacturing.

Both sides benefit from direct cooperation between more than 200 Polish domestic trade enterprises and their counterparts in the USSR, including enterprises located in the border area, and this serves to provide the market with a richer and more varied range of goods.

The Politburo stated that delays and difficulties in the creation of joint enterprises stem from imperfections in currency mechanisms and price setting principles, as well as a lack of suitable designs and various obstacles of a subjective kind. The bilateral talks that are in progress and the talks being held at the CEMA forum should lead to the elimination of these obstacles. The Polish side will

strive to conclude appropriate agreements as quickly as possible. The system and mechanisms for the coordination of plans and currency transactions has to be changed. The new mechanism should provide more effective solutions to problems such as: the convertibility of national currencies and the many aspects of the settlement of accounts, the establishment of realistic exchange rates, the development of methods for determining the value of national currencies in relation to the transfer ruble, and the introduction of modified regulations governing the setting of prices in mutual trade.

The Politburo discussed payments problems, including the repayment of Poland's debts with the USSR, issues relating to the supply of raw materials, and questions concerning the modernization of output exported to the Soviet market. The Politburo highly appraised the results produced by talks between the premiers of the governments of the two countries, which mark a positive response toward Polish proposals concerning the future resolution of matters relating to the supply of raw materials to our economy and the regulation of debt repayments.

The increased traffic in goods and travel between the two countries has created a need to expand the transportation network and increase the capacity at railway stations and border-crossing points.

The Politburo acquainted itself with the state of work on a concept of mutual cooperation for the years 1991-2005 and the coordination of economic plans for the upcoming 5-year period.

In addition, attention was focussed on the need to rapidly formulate proposals concerning the establishment of joint enterprises on Soviet soil and joint scientific research laboratories in our country. A team of specialists should conduct an examination of the good and bad experiences resulting from current experience in establishing joint enterprises.

Stressing the need for a variety of contacts between colleges and academies of sciences, the Politburo indicated that a promising form of such contacts would be Polish-Soviet competitions aimed at finding solutions to concrete scientific and research problems and production problems. This would be particularly effective in mobilizing young people.

The Politburo emphasized that a large variety of attractive forms of cooperation and contacts should be particularly aimed at young people in both countries and should serve to satisfy their interests. We have to abandon what is outdated, what has become formalized, and replace stereotype models with an approach that is unconventional and suits young people.

During the meeting reports were also delivered on cooperation between the two parties and the social benefits to be derived from direct cooperation between enterprises, such as increased vacation and summer camp opportunities.

The Politburo stated that the overall positive assessment of the state of and prospects for Polish-Soviet economic and scientific and technical cooperation imposes on party echelons and organizations a duty to actively support new forms of cooperation and the establishment of cooperation ties between enterprises in particular. The Politburo expressed recognition for the initiatives put forward by managerial cadres and teams of employees involved in launching, together with Soviet enterprises, bold, effective undertakings in production and science and technology.

Jaruzelski Addresses Voivodas Conference

AU0707102288 Warsaw TRYBUNA LUDU in Polish 5 Jul 88 p 2

[Report on speech by State Council Chairman Wojciech Jaruzelski at a 4 July conference of voivodas and chairmen of voivodship people's councils in Warsaw]

[Text] PAP—An analysis of the people's council elections shows a great difference in the results, regardless of the general social climate, noted W. Jaruzelski. This shows that local situations and solutions are largely responsible for the social climate. It is no coincidence that the results were above average in those districts that had been awarded the title "master of management." This provides much food for thought, and should serve to improve the work of the people's councils and administration.

Stressing that negative moods and shortcomings present the need for consistent action and definite results, W. Jaruzelski added: We must prove equal to this task, employing the conclusions of the Seventh Central Committee Plenum and citizens' proposals voiced before the elections.

The election campaign also revealed many major shortcomings, including weakness and distortions in the work of local government and institutions serving the population. Working people discussed them in the hope that the central authorities would remove them. All these problems must be dealt with immediately, and where bad work is actually revealed, reaction must be energetic and the persons responsible made to answer for them, said W. Jaruzelski.

Now it is time to get down to work, he continued. Time is a political factor. The degree of social expectation is very high. He who gives fast gives twice, and he who acts fast gains twice as much. We must all work in such a way as to prevent society from having the impression that there is not much left of the fervor and energy that accompanied the election campaign. All the problems

that made themselves known in the demands of citizens have to be tackled and solved urgently. The electorate has to be aware of a clear working rhythm, of a continuation of work, of a determination that the new people's councils will fulfill their function on the basis of the law which will enter into effect on 1 January 1989. The new authorities will also be assessed according to the way in which their predecessors discharged their duties during the previous tenure.

W. Jaruzelski pointed out that even before the amended law enters into effect, it is necessary to psychologically prepare oneself for work under the new conditions now, examine what is to be done, and work out the drafts of essential decisions and the ways of implementing them. In particular, settlement of all the affairs that disturb society the most—affairs concerning service to the public, the functioning of communal services, and the work of health premises and offices—must be speeded up, he said. It should be a matter of honor to the people's councils and administration to tidy up this entire sphere of matters, for the simple purpose that people may live better and in greater dignity. We have criticized the certain omnipotence of the authorities, especially at central level. But it is also bad when omnipotence turns to impotence, and this is the impression one frequently receives.

There are still major bureaucratic burdens on the work of the state and economic administration. But if there are increasing changes for the better in this regard in the state administration, one feels no such changes in the economic administration, and some even say that the situation there is worse. Thus we are faced with the increased independence of enterprises, but at the same time there is still a tendency to hide behind various kinds of reports, statements, rules, and so on. As a result, this independence is covered in a frightful cobweb which makes it difficult to work. That is also why we suggested at the seventh plenum that teams of legal advisors be appointed to examine the situation and work out possible changes.

Discussing the pioneering achievements of the people's councils in Poland, W. Jaruzelski said that maintaining contact with citizens is the most important task out of the many tasks they have in the present term of office. The point is not mere formal contact, not just creating the impression that the people's councils are discharging their duties conscientiously. The point is to reject the disclaiming of responsibility and "no" attitudes, and jointly look for ways of employing people's ideas and respect social energy.

In this context, W. Jaruzelski pointed out that councillors should make themselves known to society not as anonymous figures on paper, but as people who are at the heart of Polish affairs and who understand the reality around us and try to make it better. As public opinion polls have shown, many people consider the work of the councils so far with considerable reserve. This is not political reserve, but a conviction that the work of the councils is not effective and their position is not high. We must change one and the other. The new law will alter the councils' position fundamentally, but we ourselves must struggle for their effective work. This effectiveness will be determined not by words and intentions, but by consistency, concrete results, and real action.

Next, W. Jaruzelski recalled that the people's councils are a manifestation of the coalition-type method of exercising authority in our system. Much was done in the previous term of office to consolidate this position. Now we have to concentrate on an efficient functioning of the councils of voivodas, and appoint to them so-called nonaligned people. It is also essential to consolidate the socioeconomic councils as bodies of independent civic activity. W. Jaruzelski announced a new law on associations and stressed that an open attitude toward this topic is required and that people with initiatives must not be discouraged from presenting them, but should be invited to express them. And wherever possible, social organizations already in existence should receive some of the powers previously in the hands of the administration and be made the joint authors of and jointly responsible for programs of action in their areas. "No" attitudes are harmful. I repeat it is better to have 10 small problems every day than one great problem or even disaster once every 10 years.

Referring to the candidates for people's councillor who failed to win a seat, W. Jaruzelski: It is very important to make every candidate possess a feeling of satisfaction, because the very fact that he competed merits social distinction. These aktivits ought to find places for themselves in advisory bodies, commissions, and teams. This is a great reserve, a great potential.

W. Jaruzelski encouraged his audience to take advantage of the possibility of organizing local referendums as methods of gaining society's opinion on matters that are difficult to settle. This would be an effective lesson of practical democracy, he said. I also encourage very much the people's councils and local government bodies to work in front of an open curtain, before the eyes of the electorate and citizens. Honest talks and a greater use of local media, radio networks, and so on are required. People must feel every day that the people's councils know their problems, that they have nothing to hide, and that their modus operandi is clear to see.

Finally, W. Jaruzelski said that the report on economic results during the first half of the year, especially on prices and incomes, will be an important basis on which to assess the work of all bodies of authority. He said that the Sejm marshal has asked society to submit all kinds of proposals to the Sejm extraordinary commission which is monitoring the reform and how the government's special powers are functioning. One of the first steps by the voivodship people's councils, and of course by the administration at this level, should be to consider how the report on economic results can be used to perform

the tasks of the second stage of the economic reform. There are difficult tasks ahead of us, and we must prove equal to them. There is nowhere to retreat. We must not waste what is an original and authentic achievement of socialist renewal.

Sadowski Interviewed on Economic Reform
PM010715288 MOSCOW NEWS in English No 26, 26 Jun 88 p 7

[Interview with Polish Deputy Prime Minister Zdzislaw Sadowski by Viktor Tsoppi: "Poland: Second Stage of Reform, Dialogue Between Authorities and Society, Economic Pluralism"—date and place not given]

[Text] 'MN' analyst Viktor Tsoppi interviews Zdzislaw Sadowski, vice-chairman of the Council of Ministers of the Polish People's Republic.

Professor Sadowski, one of Poland's leading economists, also chairs the government's Planning Commission. He is not a party member and his main ambition is to put into effect the second stage of the reform.

MN: What are the main targets and social objectives of the reform?

Z.S.: The reform is in its seventh year. There have been significant improvements in our economic performance, but they are not as radical and as deep as they should be, according to the assessment made by the 10th Congress of the Polish United Workers Party (PUWP), which also launched the second stage of the reform, aimed at speeding things up.

MN: Have you faced any difficulties?

Z.S.: Yes, considerable ones, the first being our foreign debt. This is a noose round our neck. We have already run up a debt of nearly 40,000 million dollars. This figure explains little of course. The main problem is paying the interest rates, which are rapidly growing. We lack the funds to pay all the interests.

MN: Where's the way out?

Z.S.: Not everything depends on us. Our domestic difficulties and troubles should be viewed in the context of the world economic situation. If it were not for the dollar noose, we could handle our own problems with far greater ease. Our main concern today is to create a situation on the home market which allows society to see that the reform directly contributes to better living conditions.

MN: Are there any indications that conditions are improving?

Z.S.: There are, but they are too few. There is a kind of paradox. We have seen real progress, living standards are rising appreciably, but many Poles think this is happening too slowly. The result is public impatience.

MN: And yet what has been achieved so far?

Z.S.: The most important thing is that we have set in motion a system of national economy entirely different from the one that prevailed, say, four years ago. Independent decision making by enterprises is being encouraged on a big scale. We have stopped all management by injunction and applied the market mechanism. I'm sorry to say that we have not yet designed a rational pricing system and without this the market cannot really reveal its potential and advantages. Still we can cite many instances of an imaginative approach being used at enterprises. Productivity is going up, primarily in the processing industry. Resources are being used more rationally.

MN: Why did the Sejm (parliament) give the government emergency powers early in May?

Z.S.: Special powers were needed to ensure the steady implementation of the second stage of the reform. There are more than 170 points in the detailed programme of this stage. The objectives it describes lie within the scope of the government's legislative, political and social competence. I think these powers are very useful for instance, they contribute to a more sensible personnel policy. Enterprises have been made fully independent, many of their directors changed over to the new system right away. The government is duty-bound to support them or, more important, not to interfere. But can one be indifferent to the fact that other directors still work exclusively according to directives from central authorities, showing no initiative whatever, and depending, as before, only on state subsidies without ever trying to make their factories paying concerns? Don't they know how to do it? The situation could be rectified, but some simply don't want to do it.

MN: Can workers in such situations elect more efficient directors?

Z.S.: Certainly. But, sad as it is, many workers would rather have a director who keeps raising their pay above all norms, while his factory operates at a loss.

MN: Does this mean one has to resort to administrative measures when democratic procedures fail?

Z.S.: You're almost right. As a matter of fact, changing over from fully administrative methods to fully democratic economic methods is an uphill task. I don't think it would be very wrong for the government to interfere in the affairs of factories when state interests are at stake, if the objective is to help find an efficient solution to problems and get things really moving. I don't see anything undemocratic in this.

MN: And still, the Western media have been insisting for years that all Poland's troubles stem from the authorities' unwillingness to enter into dialogue with society.

Z.S.: That's rubbish, nothing but a biased statement. The "society" that the Polish authorities would not talk to, as US propaganda jargon calls it, is simply a bunch of opponents of socialism. In reality the country's leaders have constant and broad dialogue with all sections of society.

MN: I hear you are prepared to meet with former Solidarity leader Lech Walesa.

Z.S.: Why not? I'm ready to talk to every Pole, including Walesa. He knew about this. His response was to start illegal strikes in late April and early May. But I believe that in principle as Polish dialogue widens, it will also involve those who are in the opposition today. We are expecting them to make sure of where they stand exactly as regards economic reform. This will make dialogue more possible. They once alleged that our socialist system could not be remedied or reformed. When we launched the reform they refused to take it seriously. Developments proved them wrong, however. Then the very same people started to say that they had reform plans far superior to our own. For some reason they have still not promulgated their concept of reform.

Some opponents of socialism simply want total privatization of the economy. Most people in our society reject the idea as demagogic and irrational. Equally irrelevant and antisocial are the calls to lift all control over prices. This would result in an incredibly high cost of living, and irreparable deterioration of living standards.

MN: In Poland there's a kind of economic pluralism, with private and cooperative sectors existing, developing and competing side by side. Does it pay?

Z.S.: It does. And this is why our economic reform is aimed precisely at ensuring that the three sectors have equal rights and conditions. More than that, we have the blueprints for yet another sector, designated the sector of communal ownership and based on territorial self-government.

As for the private sector, we think it does a very important job. In the past, our policy towards the private consumer goods industry was mistaken. We kept alternating between encouragement and tightening the screws. Private operators lived in constant uncertainty, they tried to make a fast buck and then drop their risky undertaking. They couldn't be certain about the future. Today we are trying to guarantee them firm prospects.

MN: Poland and the Soviet Union have the same or similar problems. It seems sensible that we join efforts to deal with them successfully.

Z.S.: Frankly, I'm convinced there's still very much to be done to raise the level, widen the scope and increase the depth and quality of our economic cooperation.

Baka Discusses Economic Situation

LD0107200288 Warsaw PAP in English 1606 GMT 1 Jul 88

[Text] Warsaw, July 1—For a few weeks now Wladyslaw Baka has been in charge of economic issues in the PUWP, while still heading the National Bank of Poland (NBP). In an interview for Pap he has summed up his views on the role and principles of central bank operation in the national economy. Excerpts:

"In every normal economy banks can lend their customers only as much money as they can accumulate in teh form of savings and deposits. Thus, the upper ceiling of the amount of credits granted is nearly mathematically calculated. Exceeding this limit means nothing else but issuing empty, that is, inflationary money.

"We are determined not to permit to be pushed aside from the road which leads to the increased role of money. For declarations on the program of economic recovery will be of no avail if the role and position of money decrease and its purchasing power gets depreciated.

"The past three months practically fully confirmed our (Nbp's) assessment that the concept of a massive price-income operation is linked with numerous threats which may foil its basic assumptions. And this is what has happened. As regards both the money-market situation and the prospects for curbing inflation, today we are in a worse situation than a year ago. The only brighter spot is a relative increase in the prices of coal and energy, which may perhaps force their more economical management.

"the matter is still more complicated as—objectively speaking—populations's incomes have been rising much faster than prices, whereas the public feels it is just the opposite. This situation considerably aggravates the problem of restoring market equilibrium and strengthening money. Despite this, I am of the opinion that this task must be undertaken. If we do not do this, even the best institutional-organizational solutions of the second stage of the economic reform and systems designed to stimulate economic activity in different sectors will be of no use.

"Instead of firm economic activities black market profiteering and other social ills, unjustified transfers of incomes will vigorously flourish, areas of wealth and districts of poverty will spring, and social tension will increase.

"Thus, one can see that the problem of restoring economic equilibrium, overcoming inflation and strengthening money is to be or not to be for the national economy.

Baka went on to say:

"One can see no justification for increased credits being proportional to increased prices in each case. For many enterprises, credits increased by 15-20 percent when prices rise by 40-50 percent are absolutely justified and even necessary if we are to seriously treat our declarations on strengthening money and economic recovery.

"A bank alone cannot effectively prevent price hikes as a bank credit is only one of the sources which create money.

"Of course, limited money supply must be matched by the tightened system of financing enterprises so as to stimulate greater production and improved effectiveness, and prevent the creation in enterprises of empty zlotys which are not backed by real economic performance.

"For years we have not been able to start structural changes, eliminate inefficient units, aslo because the criterion of debt-repaying ability has not been treated seriously. The habit that banks credit delayed payments and thus relieve creditor enterprises is very harmful. Such a procedure was freeing supplier enterprises from the evaluation of the financial state of their contractors and from orientation towards those that are creditworthy.

"The practice of granting a supplementary bank credit to cover partner's default on payment is simply ominous, inefficient and counters modernization. It also preserves old structures. Enterprises themselves must care about to whom they sell their products. Such is the case wherever economy functions in line with elementary principles of economic logic.

"We withdraw credits from notoriously ineffective enterprises. This activity is not always efficient as it happens that they can get on very well without credits. And this is not because they radically improve economic performance but because, as a rule, they have managed to 'find' reduced tariffs, charges have been cancelled, or subsidies have been increased.

"If we do not definitely put an end to this practice, we will have to wait long for the bankruptcy of economically ill enterprises, and the national economy, instead of overcoming the crisis, will plunge ever deeper into the state of collapse."

Interviewed on Reform Prospects

PM0407104488 Rome LA REPUBBLICA in Italian 1 Jul 88 p 12

[Interview with PZPR Secretariat member Wladyslaw Baka by Andrea Tarquini in Rome "a few days ago"]

[Text] Rome—"A European Marshall Plan to help the socialist countries? It is an interesting idea but has not yet been organized into a concrete plan. Be that as it may, the facts show that Poland cannot extricate itself from its crisis on its own." This was said by Wladyslaw Baka, Jaruzelski's chief economic aide, with whom we met in Rome a few days ago. Baka came here at the invitation of the governor of the Bank of Italy, Ciampi, and also met with government and opposition representatives and businessmen. With all of them he discussed the Eastern bloc's economic crisis and laborious attempts to surmount it. His is an authoritative analysis. Jaruzelski has chosen Baka (the former president of the National Bank) for this task, entrusting him with powers held by few others in the socialist world: A superminister of economic affairs, Baka has also sat on both the Secretariat and Politburo for the past few weeks. When Gorbachev pays an official visit to Poland starting 11 July (his first visit abroad after the CPSU conference) Baka will be one of his main interlocutors. This is his first interview since assuming his new posts.

[Tarquini] Gorbachev will be visiting Poland in July. Will his visit help you carry forward your reform?

[Baka] Undoubtedly, and for several reasons. Gorbachev's success in Moscow is vital for us. First, because his "second socialist revolution" creates scope for reformism in the other socialist countries. Second, but no less importantly, on account of his desire to reappraise Polish-Soviet relations, long marked by mistrusts and misunderstandings, and to fill in all the "blanks" in their history—from the Katyn massacre to many other tragedies. Gorbachev is trying to create normal relations between the USSR and Poland for the first time.

[Tarquini] Dr Baka, do you not agree that the Poles' record abstention in Sunday's municipal elections is a clear sign of dissatisfaction?

[Baka] Indeed, we did not expect so many abstentions. It seems to me a clear sign of society's fatique, of its disillusionment with politics. What else should we expect after such difficult years—from Solidarity's explosion to martial law, amnesty, and the referendum? What can we expect in such an oppressive economic situation? I do not expect the population to support the reform: I just hope they will show understanding.

[Tarquini] What is your economic reform formula and how does it differ from previous attempts?

[Baka] Basically we must decentralize economic decisionmaking powers, grant scope to local authorities, and above all create the conditions for the emergence of a strong private sector. Once and for all we must abandon subsidies and the most expensive welfare sectors. Not to mention the foreign debt....

[Tarquini] But is not the debt the main obstacle to economic reform?

[Baka] It is one of the major obstacles. As you are well aware, what with the fall in the dollar rate and interest on our debt, our total debt to the West has increased from 36 to over 39 billion dollars. We can refinance it with exports, which means producing more and limiting domestic consumption. The IMF and World Bank support our austerity formulas but for them to succeed it is necessary to complete the difficult negotiations with the Paris Club and other banks.

[Tarquini] Do domestic tensions not make a reform negotiated with the West more difficult?

[Baka] Look, if we want to restore market laws and open our economy to competition and integrate it into the world market, we must realize that social conflict is inevitable. I hope Polish society will understand that wealth is no longer guaranteed to all and that international competitiveness must be accompanied by domestic competition for the available resources. It is still the same cake but we will have to divide it into more pieces and the slices will never again be the same size. The laws that we are introducing on local government, the small and medium private enterprises—which will at last be free—and joint ventures with other countries will also help in this direction. I believe that if the opening up to the market is carried forward and explained to people clearly, social conflict will become as healthy as it is inevitable, like competition itself.

[Tarquini] However, society will demand trade union and political pluralism in exchange....

[Baka] Past experience of the clash with Solidarity has left us rather wary. We are now left with the fear of extreme demands, of radical stances that take no account of national interests and real conditions. So I do not believe it is a good idea to authorize several trade unions at the moment. In the near future, however, it will perhaps be possible and necessary to have two or more trade unions and to extend the dialogue by other means too. As a Marxist, I believe that the major change that we are hoping for in our economy will have profound repercussions in the political structures.

[Tarquini] You stress that society must adapt to a market economy. Is the party ready for this change, however?

[Baka] This too remains to be seen. I hope that a new way of thinking penetrates the party, that an awareness of the inevitability of the market and private ownership is established. Society must abandon welfarism and the government must learn that a real reform is achieved not by means of decrees and price increases but gradually, by adapting to economic laws.

PRON Official Discusses Election Tasks

LD0707230088 Warsaw PAP in English
2024 GMT 7 Jul 88

[Text] Warsaw, July 7—An analysis of the electoral campaign to people's councils as well as conclusions stemming from results of the elections were discussed here today at a meeting of the Presidium of the National Council of the Patriotic Council for National Rebirth (PRON) with presidents and secretaries of PRON voivodship councils.

While opening the debate, Jan Dobraczynski expressed his respect for those citizens who had proved with their active attitude at pre-election meetings and on the day of elections that they wanted to take advantage of the opportunity to influence the course of life in their environ and place of residence.

National Council General Secretary Stanislaw Ciosek said: "Despite the enormous effort of thousands of PRON activists, despite the effort of numerous political and public organizations, the turnout on the elections day was lower than expected and the figures predicted by centres for public opinion research. There is no doubt that the results of the electoral campaign and the turnout were most affected by social needs which themselves are influenced by the country's economic difficulties and by inconveniences of everyday life."

"The 7th Plenum of the PUWP Central Committee was right to say that a confrontation between the old thinking and the new thinking had taken place in the electoral campaign."

"On the one hand, there was the new electoral law which introduced new democratic solutions, and on the other, there was the old way of thinking, old methods and praxis of campaign-making," Ciosek observed and went on:

"As a result, in some localities the opportunity to nominate people with diversified, controversial opinions was not made use of. There were also cases where in the so-called independent environs a desire to join the elections mainstream clashed with distrust, hesitation, or with downright agitation from extreme circles which called for remaining aside. The result was refusal on the part of a number of candidates.

"Remarks, observations and conclusions stemming from the people's councils electoral campaign in all the voivodships should be collected by the end of this September. These data will be helpful when designing PRON proposals with regard to further amendments to the electoral law and when preparing next year's Sejm (parliamentary) elections."

Ciosek pointed out that "the map of social commitment has expanded to include groups of people and associations which aim to achieve moral rebirth or to combat social maladies. Various forms of ecological movement are being founded. Initiatives to set up scientific, public and cultural societies are being born. We should discern and support these new organizational forms.

"The issue of messages and methods of communication between Poles is again being placed on the agenda. Diversification of Polish society is far deeper that it would be otherwise reflected by the present composition of our movement. And hence, we must carry out an indepth analysis of PRON's to-date operation, and basing on this—we should define guidelines and forms of transformations within our movement," said Ciosek in conclusion.

OPZZ Examines Causes of Labor Unrest

LD0707231688 Warsaw PAP in English
2150 GMT 7 Jul 88

[Text] Warsaw, July 7—The Executive Committee of the All-Poland Alliance of Trade Unions (OPZZ) met here today to analyse the causes, course and effects of the social conflicts that emerged late April and early May this year.

The analysis was supplementated by contributions made by representatives of trade organizations of the enterprises which had been hotbeds of worker unrest.

According to unionists, the main cause of strikes and protest actions were economic factors, that is the country's economic situation and resulting decline in working people's standard of living.

Criticism was addressed to the conduct of respective enterprise administrations which instead of being partners in defusing conflicts had acted sluggishly, dodged responsibility and procrastinated disputes which resulted in their becoming heated.

It was found out that although formally enterprises were autonomous and self-managing, majority of conflicts had resulted from inability to reach a decision within an enterprise itself. And thus solutions of the reform turned out to be inconsistent.

Participants of the debate adopted a critical stand with regard to the fact that not everywhere had trade unions assumed a position in the forefront of the spring conflicts. In many cases, workplace trade organizations were left to themselves and found no effective support from all-Poland organizations and from the OPZZ itself.

At present the main point should be to enter the anti-crisis pact, not so much with these or those groups, but first of all with working people, it was said. The idea is to attain a social contract between trade unions and the government on main issues of social and economic policies, a contract in which personal answerability for execution of its resolutions would be defined.

The issue is now ripe for serious consideration, said OPZZ leader Alfred Miodowicz. And thus what has to be done first of all is to define a legal model of such a contract.

Trade unions did not emerge broken from their first skirmish last spring, on the contrary, they even grew roots in our ranks, Miodowicz pointed out. Even our adversaries recognized that fact. The attitude of Polish unionists was also appreciated on the international arena, a prove of which was the last session of the International Labour Organization (ILO) conference.

The OPZZ Executive Committee adopted a resolution in which it recalled that the labour movement, though approving of the economic reform, had on numerous occasions reviewed critically the economic policy, and particularly the price and income policy.

This policy, and especially excessive, chaotic taxation of economic life as well as the inflationary concept of the reform, according to unionists, brought about elevation of a wave of dissatisfaction and was one of the main causes of April and May unrest.

Jaruzelski Receives OPZZ's Miodowicz

LD3007200588 Warsaw PAP in English
1628 GMT 30 Jun 88

[Text] Warsaw, June 30—PUWP CC First Secretary, President of the Polish Council of State Wojciech Jaruzelski received on June 30 chairman of the All-Poland Alliance of Trade Unions (OPZZ) Alfred Miodowicz to discuss the situation of the working people against the background of the realization of the price-income.

When the Main Statistical Office (GUS) provides full data for the period in question, a government-trade union analysis as well as proper decisions on further activities cushioning the effects of inflation will be made.

The two also touched upon the problems of recreation of working crews and their families.

Miodowicz briefed Jaruzelski on the course of the work of the 75th session of the International Labour Conference, again attended by a Polish delegation which enjoyed full rights.

Stress was put on the necessity to consolidate intra-union democracy, and remarks were exchanged on the further work on the labour code and trade unions' proposals on the issue, in particular on the including in the Polish labour legislation of solutions ensuing from the international labour conventions ratified by Poland.

Jaruzelski appreciated many years' OPZZ efforts aimed at resuming Poland's participation in the work of the International Labour Organization.

Leaders' Public Appearances 29 Jun-4 Jul

AU0807100388 [Editorial Report] Warsaw TRYBUNA LUDU in Polish from 1 to 5 July reports the following appearances of Polish leaders (date and page number given in parentheses):

On 29 June, Premier Zbigniew Messner received Cuban deputy premier Antonio Rodriguez Maurella, who was in Poland to participate in the 11th session of the Polish-Cuban mixed commission for economic and scientific cooperation. (30 Jun, p 2)

Politburo member Wladyslaw Baka received Cuban Deputy Premier Antonio Rodriguez Maurella on 29 June. (30 Jun, p 2). On 1 July, he toured the "Chemar" chemical plant in Kielce and met with the workforce. (2-3 Jul, p 2) On 3 July, he took part in a meeting of self-management bodies of industrial plants in Poznan. (4 Jul, p 2)

Politburo member Jozef Czyrek toured major industrial plants in Bielsko-Biala on 30 June, and spoke to the workforces. (1 Jul, p 2)

Ceausescu Visits Communes Around Bucharest

AU0107145088 Bucharest Domestic Service in Romanian 1300 GMT 1 Jul 88

[Text] This morning, Comrade Nicolae Ceausescu, RCP secretary general and president of the Republic, paid a working visit to localities around Bucharest. These new working meetings of our party-state leader with working people and citizens are taking place at a time when all those working in industry, agriculture, and other sectors—strongly mobilized by the guidelines, recommendations, and appeals included in Comrade Nicolae Ceausescu's reports and speeches—are focusing on the exemplary fulfillment of their tasks, thus increasing their contribution to the fatherland's overall development and proving, through new facts and deeds, their endorsement of the clear and profoundly humanistic party policy of ceaselessly raising the people's material and intellectual living standard.

The first stop of the visit was Bragadiru commune, where the party secretary general was presented the principal data concerning the improvement of the activity of the joint agroindustrial councils in the Ilfov agricultural sector, as well as details of the locality's systematization plan. In his dialogue with the chairmen of the agroindustrial councils and the mayors of local communes present at the meeting, Comrade Nicolae Ceausescu said that steps should be taken to ensure that these localities will shortly turn into agroindustrial townlets endowed with all modern facilities; he also urged that the rate of housing construction should be intensified in accordance with the town planning blueprint.

Then Comrade Nicolae Ceausescu visited the Mihailesti hydrotechnical juncture of the future Danube-Bucharest Canal, where he was briefed on the stage of the reservoir being built there. In the center of Mihailesti commune, he examined the planning stage of the settlement, which will also become a modern agroidustrial center, with more than 1,700 apartments and the appropriate social and cultural facilities. Comrade Nicolae Ceausescu spoke with the commune's inhabitants, who expressed their complete satisfaction and said that the current town planning measures will raise their standard of living and civilization. There, too, the party secretary general discussed with the local officials ways and means to improve the activity of joint agroindustrial councils in Giurgiu County.

Comrade Nicolae Ceausescu's working visit then continued in the Balotesi commune where, in front of maps, graphs, and scale models, the party secretary general was briefed on the solutions chosen for systematizing the commune. According to the planning scheme, Balotesti commune will have 1,960 apartments, the great majority of which, namely 1,380, will be new. Socioeconomic and cultural facilities will be built in the center of the commune, as well as a cultural club, a hospital, a health center with a maternity ward, a high-school, a general school, a kindergarten, and a nursery. The blocks of flats will have 2, 3, and 4 floors with apartments of 1 to 4 rooms. Each family will have plots for household and other facilities. Comrade Nicolae Ceausescu asked the experts to revise the planning scheme so as to reduce distances to these facilities. The commune inhabitants warmly thanked Comrade Nicolae Ceausescu for the living conditions being created for them, which are superior to those thus far, and pledged to work to speedily implement the systematization plans.

Comrade Nicolae Ceausescu then visited Otopeni commune—a true entry gate for Bucharest—which has changed and is changing its face on a daily basis, something which highlights the particular attention paid by the party secretary general to the development and modernization of localities. In front of the new and modern blocks of flats raised along the national highway, Comrade Nicolae Ceausescu was shown the systematization plan and the model of Otopeni commune. From the beginning of 1987, when work started here, until the end of this year, the commune will have 1,600 apartments. The hosts said that they took into consideration the agroindustrial character of the commune and the fact that it represents an important juncture, close to Otopeni International Airport, and a true visiting card for Bucharest. Comrade Nicolae Ceausescu, together with the host, examined the site of the future political-administrative headquarters, cultural complex, agricultural and food market, hospital and health center, agroindustrial high-school, and new schools, kindergartens, and nurseries. The party secretary general suggested that a sports complex should also be built so as to develop this activity in Otopeni commune. In the talks conducted with the commune's inhabitants, the latter said that they have all the necessary modern comfort and expressed thanks for the conditions created.

Throughout the visit, Comrade Nicolae Ceausescu was welcomed enthusiastically by those present who, through their cheers and chants, expressed full gratitude for the living and working conditions created for them, as well as pride in the new aspect of their communes, which—through planning and modernization in accordance with the development of our entire socioeconomic life and the new material conditions created by society—will become flourishing urban agroindustrial centers. They expressed the determination to do everything to fulfill the plan provisions for this year and the entire 5-year plan in an exemplary way and to implement the measures on intensively developing and raising the entire socioeconomic activity to new peaks.

Architect Discusses Braila 'Urbanization' Program

LD0407164688 Bucharest in Russian to the USSR 1000 GMT 4 Jul 88

[From the "Voices of Friends" program]

[Text] From the town of Galati, our reporter travelled up that great European river, the Danube, and arrived in the

Braila Judet. The purpose of the visit was to call at the Directorate for the Urbanization of the Judet, where the following dialogue took place with Christian Popescu, the chief architect:

[Begin recording] [Reporter] On my way here, Comrade Architect, I came through the Ianca District. There I saw a town rising up in place of the village of the plain. In my view, that could serve as an example, or model even, for urbanization.

[Popescu] As you no doubt are aware, our judet contains the least number of towns. For the present, we have Braila, the center of the judet of the same name, and the town of Faurei. That is why the program envisages the creation of a network of urban centers, or more precisely, 13 agro-industrial towns, around which 41 communes in the judet would be concentrated. The urbanization of agricultural production is an important stage.

[Reporter] Please explain what is meant by urbanization of agricultural production.

[Popescu] Considerable resources have been invested in the construction of industrial capacities over the past two 5-year-plan periods in the communes of Ianca, Insuratei, and others in our judet. The purpose of these is to process local raw material.

[Reporter] That is, works in the food industry: sugar, cheese, wine-making, slaughter-houses?

[Popescu] And also major installations for livestock farming and poultry rearing. In this context, the range of workers living in the village is getting bigger and bigger. The purposefulness and the will of the inhabitants of villages of the Braila Judet are clear. They want to live under urban conditions and to enjoy living standards that are comparable with those of the town. And it is wrong to think—as some people do—that urbanization just means building high-rise buildings, or simply that the peasants are going to be living in multistorey houses.

The population of Ianca will rise to 12,000 people by the year 2,000. An administrative center, as we call it, is being created there. The administrative center will have five-storey housing blocks, while there will be three-storey blocks in the remaining parts of the commune. Thus we are solving the problems of heating, centralized water supply, sewerage, and so on and so forth. In Insuratei, a commune that will be one of the 13 new urban centers, they have changed over to using geothermal waters as the energy source for heating 200 apartments. The intention is to turn this locality into a small health resort thanks to the geothermal waters.

[Reporter] How long has it been since you were in the countryside?

[Popescu] Yesterday. I come from the countryside, and in my free time I write about the countryside. It is known that here on the Baraganul plain, the majority of houses were built of poor-quality materials. Solid houses in brick and concrete now are going to be built in such a way that the new urban and rural centers are not the same as each other. Furthermore, a system of standardizing building components has been worked out so that we may create genuine house-building works in some centers in the future towns. Our architects and planners—on the basis of sketches made locally—are portraying types of family housing, keeping in mind the local architectural traditions and the customs of the peasants in each zone. [end recording]

Law on Legal Status of Socialist Economic Units

AU0507183288 Bucharest SCINTEIA in Romanian 30 Jun 88 p 4

["Law on the Legal Status of Socialist Units on the Basis of Principles of Workers Self-Management and Economic-Financial Self-Administration"—adopted by the Grand National Assembly session on 29 June in Bucharest]

[Text] Under conditions of continuously strengthening workers self-management and economic-financial self-administration and self-financing, the working people, in their capacity as owners, producers, and end-users of all of society's material and intellectual assets, are fully responsible for the direct and efficient management of each economic unit and for the rational administration of all assets of a given economic unit.

The socialist units, in their capacity as legally recognized bodies, are directly responsible for fulfilling all obligations, in accordance with law provisions and the contracts concluded, in order to better utilize material and monetary means available to them.

Likewise, under conditions of the diversification and expansion of international trade relations, the foreign trade units are solely and exclusively responsible for fulfilling all obligations assumed in the contracts with foreign partners and should enjoy all benefits arising from these contracts.

In order to enhance the legal statute of socialist units and define their responsibilities, including of foreign trade units which have contracts with other units or foreign partners,

The Grand National Assembly [GNA] of the SR of Romania adopts the present law.

Article 1. In the SR of Romania, according to the country's constitution and laws, enterprises, central departments, and other socialist units are organized and function on the basis of principles of workers self-management and economic-financial self-administration and self-financing.

Article 2. In their capacity as legally recognized bodies, the socialist units enjoy economic-financial autonomy and have their own independent organization, in keeping with their activity profile, their own self-management bodies, and their distinct assets, on the basis of which they will fulfill their plans and income budgets and cover their own expenditures, in accordance with provisions of the law. The units also have the right to conclude contracts and other legal acts within the framework of the socioeconomic relations in which they take part.

The process of acquiring and losing the quality of a legally recognized body takes place in accordance with the law. The site and name of a legally recognized body are established in the founding document.

Article 3. In accordance with the principles of workers self-management and economic-financial self-administration and self-financing, the working people's collectives, in their capacity as owners, producers, and end-users, will directly participate in managing and developing the entire activity of the respective units and are obliged to efficiently and rationally administer their assets.

The working people's councils are directly responsible for completely fulfilling the planned item-specified production and other plan indicators, better utilizing the entire technical and production potential of a unit, obtaining a maximum level of efficiency so as to fully cover expenditures from incomes, setting up their own funds, and increasingly participating in the efforts to satisfy the overall requirements of the economy.

The executive bureau of the working people's council, in its capacity as collective administrator of the assets of a given unit, ensures the implementation of the council's decisions and is responsible for taking the necessary steps to utilize material and financial funds by observing stipulations included in the plans and the income and expenditure budgets as well as other legal provisions.

Article 4. The director, general director, or manager of a socialist unit, as the case may be, is directly responsible for administering all the assets of a given unit—hence, he should take all necessary steps to fulfill plan tasks, strengthen order and discipline at all places of work, and observe the party's decisions and country's laws—and represents the unit in relations with individuals and legally recognized bodies as well as before the legal organs.

Article 5. The working people's council, its executive bureau, and the director, general director, or manager of a given unit are responsible before the working people's general meeting, the supreme forum of owners and producers, for the administration of all assets and for the economic results obtained.

Article 6. In order to carry out all activities in accordance with provisions of the uniform national plan for the country's socioeconomic development, the socialist units are exercising their prerogatives in their own name and are responsible for fulfilling legal obligations concerning the administration of fixed assets and of other material and monetary means available to them.

Likewise, the socialist units are held responsible—in keeping with the size of their assets and the provisions of the law—for any damage caused as a result of nonfulfillment or inappropriate fulfillment of obligations arising from law provisions, contracts, or other documents concluded.

Article 7. On the basis of principles of workers self-management and economic, financial, and currency self-administration, the central departments with foreign trade contracts and other foreign trade enterprises and units—in their capacity as legal bodies—enjoy autonomy in negotiating and concluding contracts with foreign partners; in the relations with these foreign partners, only they are responsible for fulfilling the obligations and achieving the benefits arising from these contracts.

Article 8. Central departments which conclude foreign trade contracts and other enterprises and units in the foreign trade sector bear the material responsibility for obligations arising from the contracts concluded or other legal acts and deeds connected with their own foreign trade and international economic cooperation activity.

Article 9. Socialist units, including foreign trade units, are not responsible for obligations assumed by other units.

Neither the state nor any state body is responsible for obligations assumed by socialist units, including foreign trade units, which, in their turn, are not responsible for obligations assumed by the state or by various state bodies.

The responsibility of the state or various socialist units for the performance of other units can only be invoked if this obligation has been clearly stipulated in international contracts, agreements, or other understandings.

Law on Increased Social, Old Age Pensions

AU0507190188 Bucharest SCINTEIA in Romanian 30 Jun 88 p 3

["Law on Increasing Social-State Security, Occupational, and Old Age Pensions and on Increasing Pensions for Losing Working Ability and for War Invalids" adopted by the Grand National Assembly session on 29 June 1988 in Bucharest]

[Text] The great achievements registered in the socioeconomic development of our country, the great changes that took place in modernizing production forces and the technical-material base, and the dynamic character and

vigor of the national economy ensure the necessary conditions to constantly raise the material and intellectual well-being of all the citizens of our homeland, the supreme goal of the policy of our party and state.

In accordance with the decisions of the 13th RCP Congress and the Party National Conference and in keeping with the country's socioeconomic development, the state social security pensions will be increased up to 3,000 lei per month, by an average of 8 percent, and bigger increases will be registered in case of smaller pensions, of pensions for losing working ability, and pensions of war invalids.

More than 97 percent of the total number of state social security and war invalid pensioners will benefit from this pension increase.

The new measures of increasing pensions reflect the consistent policy of our party and state to ensure increasingly better conditions for those who carried out a longstanding working activity and to harmoniously connect the income from work with the income from the social security funds.

In order to regulate the measures for increasing pensions in the current 5-year plan period,

The Grand National Assembly of the SR of Romania adopts this law:

Article 1.—(1) The state social security pensions and the occupational and old age pensions up to the sum of 3,000 lei per month will be increased by an average of 8 percent and smaller pensions will benefit by a bigger increase.

(2) The minimum occupational and old age pensions for pensioners with full length of service will be increased from 900 lei to 1,100 lei per month, that is, by 22 percent, and the average pension will increase from 1,873 lei to 2,000 lei per month.

(3) The minimum occupational and old age pension, for pensioners with incomplete length of service, who have worked for at least 10 years in state units, will increase from 550 lei to 800 per month, that is, by 45.5 percent, and the average pension will increase from 1,079 lei to 1,160 lei per month.

Article 2.—The minimum state social security for losing working ability, second grade of invalidity, will increase from 600 to 800 lei per month, that is, by 33 percent.

Article 3.—(1) The pensions of war invalids up to 3,000 lei per month will increase by an average of 16.9 percent, and the smaller pensions will increase more, up to 36.8 percent.

(2) The minimum pension of war invalids will increase from 550 lei to 800 lei per month, that is, by 45.5 percent.

Article 4.—With a view to increasing pensions, in accordance with the provisions of the current law, in 1988 the state will allocate 300 million lei and afterwards about 2 billion lei annually.

Article 5.—The pensions stipulated in Articles 1 - 3 will increase in the following stages:

a) on 1 August 1988, the pensions of war invalids;

b) on 1 October 1988, the state social security occupational and old age pensions up to 1,500 lei per month and the minimum pension for losing working ability, second grade of invalidity;

c) on 1 March 1989, state social security occupational and old age pensions which amount to 1,501-3,000 lei monthly.

Article 6.—The pensioners whose pensions increase in accordance with the current law will further benefit by the right of state allocations for children, stipulated by the law up to the date of the pension increase. Likewise, the rent for dwellings, established for pensions before the increase, will remain unchanged.

Article 7.—The percentage of pension increase, differentiated per stage and pension level, and the conditions for applying the current law will be established through the State Council decree.

Law on Pay Increase for Working Personnel

AU0607164688 Bucharest SCINTEIA in Romanian 30 Jun 88 p 3

["Law on Pay Increase of Working Personnel"—adopted by the Grand National Assembly session on 29 June 1988 in Bucharest]

[Text] The implementation of the objectives in the RCP program for building the comprehensively developed socialist society and ensuring Romania's progress toward communism, the great changes that have taken place in the development of production forces, in the continuous modernization of the technical-material base, the dynamic character and vigor of the whole national economy, and the increase of labor productivity, of the national income, and of the economic efficiency, as well as the reduction of production expenditures ensure the necessary conditions to continuously improve the material and intellectual well-being of the whole nation, the supreme goal of the policy promoted by our party and state and the essence of our socialist system.

In accordance with the decisions of the 13th RCP Congress and the Party National Conference and in keeping with the consistent policy of our party to raise

the working people's standard of living, between 1988 - 1989 a new pay increase will take effect, so that, at the end of the 5-year plan period, in 1990, the average nominal pay will be 3,285 lei, registering a 10 percent increase compared to 1985.

Within the framework of this action, a more marked increase of the remuneration of working people with smaller income will be ensured, so that the minimum pay throughout the economy will reach 1,500 - 2,000 lei. Mainly young people, in their first years of activity, will benefit from this increase.

A more marked increase of the remuneration of the working people with smaller income is a new expression of the care of our party and state with ensuring appropriate living conditions for all categories of working personnel and with the firm application of the principles of socialist ethics and equity.

The pay increase will be carried out through the increase of both the working people's base pay and the variable part of their total income.

Within the variable part, additional income will be obtained mainly by increasing the supplementary pay for piecework, by granting incentives for the export production, increasing the quota for setting up the fund for working people's share in the fulfillment of the production, in profits, and in the distribution of profits, and by increasing the annual bonus fund.

With a view toward applying the decisions of the 13th RCP Congress and the Party National Conference of December 1987 regarding the pay increase in 1988 - 1989,

The Grand National Assembly [GNA] of the SR of Romania adopts the present law:

Article 1.—(1) As of 1 August 1988 the pay of all categories of working personnel will increase in stages by an average of 10 percent and the personnel with base pay of up to 2,000 lei per month will benefit from a bigger increase.

(2) The minimum base pay will increase from 1,500 lei to 2,000 lei per month, that is by 33 percent, and the average nominal pay per sector will be 3,285 lei per month.

(3) the increase of working personnel's pay will be carried out through the increase of the average base pay by 8 percent and the variable part of the remuneration by an average of 2 percent.

Article 2.—The increase of the variable part of the remuneration will be carried out through the increase of the supplement for piecework, of supplement for length of service, and of the other additional pay, by granting further incentive for the export production, by increasing the quota for setting up the fund for working people's share in the fulfillment of the production, in profits, and in the distribution of profits, and through the increase of the annual bonus fund.

Article 3.—In accordance with the principles of socialist ethics and equity and as a result of the pay increase according to the present law, the ratio between the the minimum and maximum remuneration throughout the economy will be 1 to 4.70 compared to the current 1 to 5.35.

Article 4.—(1) The base pay increase for all the categories of personnel will be carried out in stages, per branches of activity, and in accordance with the level of base pay up to the date of the increase.

(2) Within the first stage, between 1 August - 1 October 1988, the remuneration of personnel with monthly base pay up to 2,000 lei will increase in stages and per branches of activity.

(3) Within the second stage, 1 November 1988 - 1 January 1989, the remuneration of personnel with monthly base pay of 2,001 - 2,250 lei will increase in stages and per branches. During this period, the remuneration of more than 1.8 million working people will increase.

(4) Within the third stage, between 1 March - 1 August 1989, the remuneration of personnel with a monthly base pay exceeding 2,250 lei will increase in stages and per branches of activity; more than 3.4 million working people will benefit from this increase.

Article 5.—(1) As of 1 January 1989, quotas for setting up the fund for the working people's share in the fulfillment of the production, in profits, and in the distribution of profits will increase from 2.5 - 3.0 percent to 3.0 - 3.5 percent out of the planned remuneration fund.

(2) As of the same date, quotas for setting up the fund for the share by the working people from mining, oil, gas extraction, and drilling units in fulfilling production, in profits, and in distributing these profits, will increase from 4.0 out of the planned remuneration fund.

(3) As of 1 January 1989, the annual bonus fund for sociocultural units, ministries, and the other central and local bodies, as well as for the state institutes will increase from 2.5-3.0 percent to 3.0-3.5 percent out of the planned remuneration fund.

Article 6.—With a view toward increasing the remuneration of the working personnel, in accordance with the present law, the planned remuneration fund is supplemented with 5.8 billion lei in 1988 and with 24.4 billion

lei in 1989, and in 1990, when all the working people will receive an increased pay, the additional remuneration fund will be of 29 billion lei.

Article 7.—The persons whose remuneration increases in accordance with the present law, will continue to benefit from the state allocation for children, stipulated by the law, up to the date of the pay increase. Likewise, the rent for dwellings, established for remuneration before the increase, will remain unchanged.

Article 8.—The differentiation of the pay increase per stages and the level of the base pay, of compensations, and of other remuneration rights, per branches and activities, as well as the way of granting some rights in accordance with the new base pay will be established through the State Council decree.

Article 9.—The Council of Ministers together with the ministries and the other central bodies and executive committees of county, municipality, and Bucharest municipality working people's councils will take measures with a view toward mobilizing all the working people's collectives in enterprises and central units to improve the organization of the whole activity, to more markedly increase labor productivity, to raise the technical and quality level of products, to reduce production expenditure, particularly by reducing raw material, other material, energy and fuel consumption, and to ensure a better use of all the resources, which will lead to the complete fulfillment of plan provisions on increasing the national income and will completely cover the needs for the fund required for the pay increase of the working personnel.

Ceausescu Receives Palestinian Leader Habash

AU0407162388 Bucharest AGERPRES in English 1440 GMT 4 Jul 88

[Text] Bucharest, AGERPRES, 04/07/1988—On Monday, July 4, Nicolae Ceausescu, general secretary of the Romanian Communist Party, president of the Socialist Republic of Romania, received George Habash, secretary-general of the Palestine Liberation People's Front [PFLP], now on a visit to Romania.

The guest warmly thanked for the interview granted, for the opportunity to visit Romania, to exchange opinions with our party and state leader.

During the interview analysis was made of aspects of international political life, special attention being paid to the situation in the Middle East.

President Nicolae Ceausescu restated Romania's stand on the settlement of the issues in that part of the world, stressing the need to intensify the efforts for the just and durable settlement, through negotiations, of the situation in that area and for the instauration of a lasting peace based on Israel's withdrawal from the Arab territories occupied in 1967, on the observance of the Palestinian people's right to self-determination, to the creation of an independent Palestinian state of its own included, as well as on the ensurance of the integrity, security and sovereignty of all the states in that region. Emphasis was placed in that context on the significance of calling up, as soon as possible, an international conference under UN aegis which should be attended by all states interested—PLO as the Palestinian people's single and legitimate representative and Israel included. The importance of strengthening the unity of the Palestine Liberation Organization was underscored, as well as the necessity to promote new actions and initiatives for the settlement of the situation in that region.

The secretary-general of the PFLP highly appreciated the concern of the Romanian party and state leadership, of President Nicolae Ceausescu with the just and durable settlement of the situation in the Middle East, as well as the permanent support granted to the Palestinian people's just cause.

Giosan Receives FRG Parliamentarians

AU0107185488 Bucharest AGERPRES in English 1814 GMT 1 Jul 88

[Text] Bucharest, AGERPRES, 1/7/1988—On 1 July, the palace of the Grand National Assembly [GNA] was the venue of a Romanian - West German parliamentary meeting organized on the occasion of the visit a delegation of the parliamentary group of the Federal Republic of Germany - Romania friendship led by Klaus Rose, chairman of the group, is paying to Romania.

Members of the Romania - Federal Republic of Germany friendship group in the GNA, deputies, representatives of some ministries and central institutions attended.

Participating were the members of the West German parliamentary delegation as well as the ambassador of the Federal Republic of Germany to Bucharest, Helmut Matthias.

The dialogue of the Romanian and West German parliamentarians concentrated on a broad exchange of opinions on the stage and perspectives of bilateral relations in the political, economic, technical, scientific, cultural spheres, humanitarian questions and mass media as well as on current international issues.

Underscoring the role and responsibility of parliaments and parliamentarians in a just and democratic solution to the major problems of our days, in the promotion of peoples' rapprochement and better mutual acquaintance, of peace and understanding in Europe and the world over as well as the importance the two sides attach to the continual growth of ties of friendship and collaboration between Romania and the FRG, between the

peoples of the two countries, the first Romanian - West German parliamentary interview-debate evinced the need to make concerted efforts for the attainment of like desiderata.

During their Romanian sojourn, the West German parliamentarians paid visits to economic units, and places of social, cultural and touristic interest in Bucharest municipality and Alba County.

Marking their visit here the West German ambassador to Bucharest gave a dinner on Friday.

Nicolae Giosan, chairman of the Grand National Assembly, members of the steering committee of the Romania - Federal Republic of Germany friendship group, deputies, and representatives of ministries and central institutions attended.

Giosan Receives British Parliamentarians

AU0407201288 Bucharest AGERPRES in English 1614 GMT 4 Jul 88

[Text] Bucharest, AGERPRES, 4/7/1988—Monday, 4 July, Bucharest was the venue of a Romanian-British parliamentary interview and debate.

Attending were members of the steering committees of the Romanian group in the Inter-Parliamentary Union and the group for Romania-Great Britain friendship relations in the Grand National Assembly, representatives of ministries and central institutions.

The delegation of Great Britain's group in the Inter-Parliamentary Union led by David Mudd, member of the group's executive committee, chairman of the Parliamentary group for Great Britain-Romania friendship relations, now on a visit to Romania, took part.

The Romanian-British parliamentary dialogue evinced mutual willingness to enhance the contribution of parliaments and parliamentarians to enriching the traditional ties of friendship and collaboration between the two countries and peoples on a political, economic, commercial, technical and scientific plane and to solving the cardinal problems of peace, security and collaboration in Europe and the world over.

The same day, the chairman of the Grand National Assembly, Nicolae Giosan, received the delegation of Great Britain's group in the Inter-Parliamentary Union.

The guests also conducted talks with managerial staff in the Ministry of Foreign Affairs and the Ministry of Foreign Trade and International Economic Cooperation.

LUMEA Comments on Vienna CSCE Meeting

AU0607110888 Bucharest LUMEA No 27 in Romanian 30 June pp 11, 12

["The Imperative of Agreeing on a Balanced and Realistic Final Document at the Vienna All-European Meeting"—passages within slantlines in block print]

[Text] /The dialogue underway in Vienna on questions of security and cooperation in Europe has reached a decisive stage—the agreement on a final document of the meeting, which will include assessments and converging viewpoints on the progress to date of the process begun 30 years ago in Helsinki, on the directions of future development, and the deepening of cooperation among the 35 states participating in this process./

On the basis of the declared desire to contribute to the rapprochement of positions and to agree on a final document of the meeting as soon as possible, the neutral and nonaligned countries (Austria, Cyprus, Switzerland, Finland, Yugoslavia, Liechtenstein, Malta, San Marino, and Sweden) on 13 May submitted a general draft designed to serve as a basis for negotiating the decisions to be adopted by consensus at the end of the proceedings of the Vienna forum. Although this draft includes a number of positive elements and the good intentions of the co-author states should not be doubted, the result of their efforts only partially meets the requirements for balance and realism which should characterize the entire process of security and cooperation in Europe, so that it may be viable and match the concerns and interests of all participating countries. For this reason, the draft proposed by the neutral and nonaligned countries cannot serve as the sole basis for negotiating the meeting's final document. Romania has suggested that negotiations continue on the basis of all proposals submitted, including the draft of the neutral and nonaligned countries. Our country itself has formulated a number of tangible suggestions designed to contribute to a balanced final document and to the adoption of realistic decisions that are necessary today for the observance and implementation of the initial targets of the process begun by the Conference on Security and Cooperation in Europe (CSCE).

/Romania—Proposals Taking Account of the Situation and Concerns of Millions of People./ During the Vienna meeting some states showed a tendency toward distorting, neglecting, or even ignoring some basic issues of human rights such as the right to work, to education, to life, to housing and so forth, by placing emphasis on certain secondary and insignificant aspects of an administrative nature, which should be settled by each country in keeping with its domestic situation. This tendency was also obvious in the draft of the final document presented by neutral and nonaligned countries, in both dealing with human rights and in connection with humanitarian questions.

Consistent in its domestic policy, whose supreme aim it is to ensure the well-being of the whole of society and the multifaceted development of the human personality, taking account of the serious problems in Europe and the world in connection with achieving the basic human rights, and in view of the concerns of a large category of the population over their material and social situation as a result of unemployment, lack of housing, illiteracy, and various economic and political inequalities, Romania proposed that the final document of the Vienna meeting should incorporate measures and commitments by the participating states with a view to solving these serious problems, that still exist in the observance of human rights.

Therefore, proceeding from the fact that in many countries young people are in a very difficult position because of great unemployment, illiteracy, crime, alcoholism, and drug abuse, our country has proposed that the states participating in the Vienna meeting should pledge to ensure the necessary conditions for education so as to train young people for useful work in society, to enable them to make full use of their creative capability, to guarantee them jobs, and integrate them into the economic and social activity in keeping with their training.

Taking account of the fact that unemployment and its constant increase affects the existence of a large number of people, depriving them of the most elementary living conditions and making it impossible for them to fully capitalize on their training and capabilities, Romania has proposed that the final document of the Vienna meeting should stipulate that the participating states will ensure, for each citizen, a job in accordance with his training to enable him to achieve the material means needed for a civilized life in keeping with the requirements of present-day social progress, and to make use of his entire physical and intellectual abilities.

As a result of the fact that the stimulation of emigration and brain drain has permitted some countries to benefit from an important number of specialists from other countries, thus achieving a transfer of national assets without any investments, which has a direct effect on the socioeconomic development of the respective states, our country has proposed that the participating states should pledge not to stimulate emigration, renounce the practice of luring specialized cadres from other countries, and cooperate in training cadres in various fields required by the lesser developed countries.

[Text] A special social problem that—in many countries—affects an important category of people, including families with children, is the housing shortage. Taking account of this serious situation, Romania has proposed that each country should work out and implement a program to guarantee each family minimum housing conditions by the year 2000.

Proceeding from the important role played by women in society since they represent more than half of the world's population, and from the numerous discriminations to which they are subjected in exercising their economic, social, and political rights, and taking account of the need for them to participate equally in the political and social activity, Romania has proposed that the final document of the Vienna meeting should include the commitment of all participating states to ensure jobs for women in accordance with their training and capability, as well as remuneration equal to that of men for similar activities, and other rights that will permit women to participate fully and effectively in political and social activity.

Submitting these proposals, our country believes that ensuring basic human rights and capitalizing on man's creative capability is an essential part of the economic, social, and political progress of the present-day world and it is the duty of each state. To achieve this requires close cooperation among all states participating in the Vienna meeting at an economic, scientific-technical, cultural, and other levels and it requires the broad promotion—in public opinion and especially within the ranks of youth—of the ideals of peace, progress, cooperation, understanding, and mutual respect among peoples. This also means the obligation of the participating states to strictly respect the principles of noninterference in the domestic affairs of other countries, national independence and sovereignty, and the right of each state to solve its problems in accordance with its own domestic conditions, the country's constitution and laws, and in accordance with its traditions and its national characteristics.

/The Need for Balance and Realism; the Return to the Source./ Within the process of security and cooperation in Europe, certain negative tendencies have appeared of late, which have intensified gradually, sometimes even taking alarming forms, especially in connection with problems regarding human rights and the humanitarian aspects of all-European cooperation. On the other hand, the progress of the CSCE meetings became slow and inefficient; they were prolonged without justification and often turned into forums of confrontation and pronounced differences. Efforts were made and continue to be made to impose regulations, according to which the participating countries should act, and to formulate models of their domestic organizations. In this way interference in the domestic affairs of some participating states will be encouraged and the departure from the basic principles of the Helsinki Final Act is being promoted.

Such harmful tendencies were also obvious at the Vienna meeting where attempts were made even to channel the CSCE process into a new direction in order to gradually abandon the targets agreed upon in the Final Act by the 35 signatory states.

Taking account of the need to preserve the aim and initial spirit that characterized the Conference for Security and Cooperation in Europe and the Helsinki Final Act, and to promote a system of meetings and activity within the CSCE process, which will contribute effectively to building security and developing cooperation among sovereign and equal states, without the CSCE process gaining a supranational character, at the beginning of this month Romania proposed that the Vienna meeting adopt a number of measures in this direction.

Our country believes that the provisions of the Helsinki Final Act and of the Madrid Document constitute an appropriate framework for building security and further developing cooperation on the European continent, and that it is not necessary for each fresh European meeting to adopt a great number of documents mainly repeating provisions already included in previous documents. The Helsinki Final Act alone contains more than 500 subjects of action of which only a small part has been turned to good account so far. It is therefore necessary for the future meetings within the CSCE process to move on from this basis and pursue the question of how the provisions of the Final Act and Madrid Document contribute to constantly improving relations among the participating countries.

Romania has proposed that the all-European meeting convene at 3-4 year intervals, at an appropriate political level, and that it should not exceed 5-6 days, while proceedings should focus on examining the main problems that have arisen in Europe since the preceding meeting. These problems should be examined within working commissions, at expert level, organized in accordance with the structure of the Helsinki Final Act (political-military aspects of security, including the principles of relations between states; cooperation in the economy, science, technology, and the environment; questions regarding security and cooperation in the Mediterranean; cooperation in the humanitarian areas; and consequences of the conference).

The working commissions should make recommendations to be put into practice by the participating states in accordance with their national laws and their own constitutional framework. These recommendations, based on the principles and provisions of the Final Act and Madrid Document, could represent, in fact, the final document of the respective meeting; this document should not be longer than 10-15 pages. Our country has proposed that the duration of the activity of working commissions should be as short as possible and in the final stage of their proceedings a meeting at the level of deputy foreign ministers should be convened to review the stage of proceedings and solve the more difficult problems that could not be solved at the expert level. As for organizing meetings of experts on specific issues, Romania has proposed that the duration of these should not be longer than 2 weeks.

The ideas and proposals made by our country aim at reestablishing, with the agreement and cooperation of all participating states, the balance that formed the basis of the understandings agreed upon in Helsinki when the CSCE process was initiated. The very content of the Final Act is realistic and balanced. The basic document of the new system of security and cooperation in Europe is not a utopian formula and not an outdated and obsolete accord either. It contains subjects of action of great topicality and proceeds from the concrete facts and realities currently encountered by the peoples on our continent and it proceeds from the existence in Europe of states with different social, economic, and political systems and with systems of differing values. The Final Act indicates the road taken by the European countries and it constitutes a program for the present and future, a comprehensive and realistic program designed to create an order of peace in Europe.

The CSCE process has not canceled the differences in Europe and did not propose to do so. By signing the Final Act, European countries, the United States, and Canada have pledged to overcome tension and confrontation on the continent and to view Europe as a united whole in its diversity of nations and systems and to act for a united Europe.

Iranian Envoy Brings Message on Airbus Downing

LD0707175888 Tehran IRNA in English 1737 GMT 7 Jul 88

[Text] Tehran, July 7, IRNA—Iran's ambassador to Yugoslavia Mohammad-Javad Asayesh met that country's deputy foreign minister for political affairs in Belgrade Wednesday and submitted him a message from Iranian Foreign Minister 'Ali Akbar Velayati for his Yugoslav counterpart Budimir Loncar.

In the meeting, the Yugoslav official referring to the unmanly U.S. attack on an Iranian passenger plane in the Persian Gulf last Sunday, said the catastrophe poses threat to international air traffic security, and cannot be justified.

Yugoslavia believes that international bodies should take all possible measures to make the Persian Gulf region secure and to prevent the repetition of such catastrophes, he stressed.

The American battleship USS Vincennes fired two missiles at Iran Air flight 655 bound for Dubayy, martyring all 290 passengers and crew on board.

Skopje Workers Strike To Protest Bread Prices

LD0707160088 Belgrade TANJUG Domestic Service in Serbo-Croatian 1357 GMT 7 Jul 88

[Summary] Skopje, 7 Jul (TANJUG)—About 400 workers of the Makedonija-Sport work organization went on strike today, thus showing their dissatisfaction at the increase in the price of bread by 38.5 percent. The real cause is, however, low wages and unsuitable working conditions.

Borovo Workers Call Off Strike

LD0707161888 Belgrade TANJUG Domestic Service in Serbo-Croatian 1343 GMT 7 Jul 88

[Text] Borovo, 7 Jul (TANJUG)—The strike by workers at the Borovo combine ended some time after midnight after the talks in the council of the Yugoslav Trade Union Federation, where solutions were proposed in order to improve the position of employees at this large labor collective of nearly 23,000 workers. A report on this was submitted today at the session of the Presidium of the trade union conference of the Borovo Labor Association and the Vukovar Municipal Council. The first analysis of events during the 2-day strike was also submitted at the session. Only after a few days will it be possible to assess in detail the causes of the strike and what should have been done to prevent it.

It was noted that, regardless of the overall atmosphere and the number of people who took part in the strike, the workers showed dignity and self-discipline. The trade union of the Borovo combine today expressed gratitude in a telegram to the Federal Trade Union Federation City Council for their assistance during the Borovo workers' stay in Belgrade, as well as for the organization of the return of the Borovo workers to their homes, which required more than 40 buses to complete their journey to Borovo.

Personal incomes for June and subsidies for vacations were paid out in the combine today. At the same time, the usual collective vacation of nearly 18,000 Borovo employees began. Production will be resumed on a regular basis on 1 August, before which raw materials should be secured and solutions found for other matters to ensure smooth production.

Krekic Analyzes Borovo Situation

LD0707164388 Belgrade TANJUG Domestic Service in Serbo-Croatian 1128 GMT 7 Jul 88

[Text] Belgrade, 7 Jul (TANJUG)—Borovo workers should reformulate their demand for a 100-percent pay raise in the sense that conditions should be created for them so that they could earn this with their work. This was stressed by Nenad Krekic, federal secretary for foreign economic relations and director of the Borovo combine from 1978 until spring 1986, in his interview to TANJUG and BORBA today.

Krekic bases such a message to Borovo workers, who protested in Belgrade yesterday, on the example of the tire factory within this collective. This factory, he said, currently records losses of (?18) billion dinars, but if it were to work at full capacity until the end of the year, not only would it be rehabilitated, but it would also have 10 billion to spare. This would automatically lead to a pay raise, which is possible to achieve.

Krekic explains the present low personal incomes by citing the fact that Borovo workers are paid for what they produce, and when it is all added up monthly it turns out that they only completed 15 or 16 working days. Krekic sees a reason for this in the fact that production in Borovo is on the decline and that the sales of goods were made more difficult and at the moment largely oriented to the domestic market.

Comment on Strikes, Protests

AU0807131088 Belgrade BORBA in Serbo-Croatian 7 Jul 88 p 1

[Manojlo Vukotic commentary: "Bread for Today and Tomorrow"]

[Text] The workers again opened the doors of the parliament, this time virtually by force. They waited on the almost black steps almost 6 hours, suffering sun and heat of 40 degrees Centigrade, and bearing on their shoulders and in their calloused hands suffering, protests, indignation, demands.... Rebellion because of their bare and miserable life, standard of living, docked pay, impotence....

Great Borovo, one time symbol of our industry and of our march into the world, is on its knees. The workers, more than 25,000 of them, shackled their hopes with chains of unproductivity, debts, strife, and lack of prospects.

Why did they come to Belgrade in buses and trucks? Has the federation not been dismantled, crippled, and stripped bare?

Did they not come so as to repeat what the fiery metal workers of Zemun Zmaj recently did: Everybody saw their dissatisfaction and afterwards they were speedily promised everything, or almost everything.

Zmaj had been sinking for a long time. But after a strong eruption of protest, when the 20-storied glass tower of the sociopolitical organizations built on New Belgrade sand shook under the chanting of "Thieves, thieves," communal strategists and bank calculators ran off to Zmaj and pathetically said: "Here is your money." Money for pay, for projects. They wiped out what has been happening in Zmaj for years and they clipped the wings of hope. Wisdom or deceit? Demagoguery or real truth?

Will somebody say something of the same kind to the long-suffering people of Borovo tomorrow? Will they offer them serious means with which they can go into a better tomorrow, or will they stretch the rubber band of promises with political demagoguery? This band of promises is much more elastic and more easily broken than the rubber that is poured in the Borovo plant.

Certainly there can be no reform even without strikes or without redundancies. But reform cannot be achieved with politicians who run away from the workers class, with leaders who do not know how to chose the ways out of the crisis, with committees that draft theses in private offices, and with a bureaucracy that calculates everything according to its logic and consciousness. Dissatisfied workers deprived of their rights want their pay and their bread, (security) for today and (a guarantee) for tomorrow.

The answer to this cannot be obtained in Marx and Engels Square [location of the Trade Union Hall in Belgrade] nor under the copper dome of the federal parliament, at least not directly. Perhaps indirectly; for this parliament—real, popular, all-Yugoslav—should chose and adopt the directions of the reform. It should give orders to the government. It should receive advice from the party, not orders. Unfortunately, this is not happening yet. So it appears almost as if workers, naive, still infatuated with people's power and with Yugoslavia, come here to do penance, to offer up a sort of prayer, so as to give vent to and receive some petty satisfaction from their "rebellious" demands.

The columns of rebels will increase as long as the stories of reform, demands, agreements, and unity resound like a record from political and state rostrums, without certainty, without force, and rather faded. What is left are the flags of the same colors, and Broz' pictures. Workers will take them back to Borovo. But one can no longer live off them, just as one cannot live off extorted promises.

Presidency Considers Strikes, Economic Reform

LD0707111788 Belgrade TANJUG in English 1027 GMT 7 Jul 88

[Text] Belgrade , July 7 (TANJUG)—The Presidency of the Socialist Federal Republic of Yugoslavia (SFRY), as is announced today, at its session on Wednesday, considered a government information on the implementation of reform measures of economic policy, in the framework of which it considered strikes and arrivals of workers in Belgrade with demands for organs of the federation to settle the problems of their enterprises.

Even though the motives of workers' discontent are very often justified, the problems of development and economic reforms cannot be solved through the demands void of economic coverage. Such demands, as the collective state leadership cautions, can cause new difficulties and problems for the employed, for their collectives and for the community as a whole.

The SFRY Presidency deems that the workers should exercise all the self-management means for the problems to be solved where they emerge—in enterprises, communes, republics, and autonomous provinces, so that strikes would not happen.

At the same time, the Presidency demands that all the competent organs, together with workers, should timely work on the enforcement of the reforms, on the solving of problems and difficulties that are conducive to workers' discontent, and that they should engage themselves to the utmost in the passing of concrete economic and social programs to secure development and an equal distribution of the burden of stabilization and economic reforms.

Management Policy Costs Workers 'Too Much'

AU0607173288 Belgrade BORBA in Serbo-Croatian 30 Jun 88 p 9

[Reprint from POBJEDA of Rifat Rastoder commentary: "The Irony of Reality"]

[Text] Judging by the latest events, the main role in the increasingly dramatic plot on the Yugoslav political stage is taken by the workers. It seems that this is not in the least unexpected. Particularly striking was the recent march by several thousand Zmaj workers from Zemun to the SFRY Assembly. Although a whole week has passed since then, the impression is that the echo of the scene in front of the Assembly building is reverberating even

more strongly and alerting us with all its drama. Items of news about waves of worker dissatisfaction simply arrive one after the other. Even the most develope Yugoslav republic, Slovenia, where 7,500 workers from the Maribor TAM collective were recently on strike, has not been deprived of violent social tremors. As on-the-spot reports stress, this involves the greatest postwar unrest in this region.

Along with all the troubles involved in the truly bitter facing up to the new business conditions in Montenegro, Autoprevoz of Ivangrad has recently been at the center of attention. The strike by drivers and conductors in this collective from the "family" of Jugoprevoz of Cacak, which lasted several days, paralyzed the traffic and, to a great extent, even the life of the north of the republic. From day to day, their dissatisfaction acquired the characteristics of its own kind of expression which rolled down the town streets accompanied by revolutionary songs and slogans. In the middle of the week, a convoy of buses was ready to set off for Titograd. However, everything ended with silent acquiescence to the decision of the drivers and conductors to change their leadership and the promise that some of their other demands will also be fulfilled....

Their reason is obviously the same—dissatisfaction at reduced or small or irregular personal incomes. However, the causes are much deeper and much more complex. Along with all the decisions and conclusions on strengthening the position and role of workers in our society and system, life was more than ironic toward them. Paying the bill with countless errors in business, cadre, and the entire policy, producers and the creators of income found themselves on the edge of existence before everyone else. In Montenegro, for example, they are left with barely half their realized income. When other payments are taken out of this, then it becomes clear what the situation of self-managers and self-management is like today.

Workers seem to be increasingly convinced that the price of such a policy has unjustifiably cost them too much. They demand a distribution of the burden of stabilization to the "army" of local and national bureaucracies which are obsessed with the struggle to preserve their own position. In all this there is the strong feeling which generalizes the situation and people in a simple way, but it is also obvious that there is less and less room for calls for patience. However, in particular, there should no longer be any room for a compromise extinguishing of the fire by fulfilling some of the demands of the workers, most often by magically providing finance for personal incomes from funds which, until yesterday, had been empty. Who knows how many times it has been assessed and stated that deep-rooted changes are essential in all work and behavior, but, above all, in the economic and political system and in social policy. It must be admitted that this has never been very dependent on the workers....

Korosec on Lessons of Maribor Strike

AU0807095488 Ljubljana DELO in Slovene 5 Jul 88 p 2

[Unattributed report on speech by Stefan Korosec, secretary of the LCY Central Committee Presidium, at Kisovec, Slovenia on 2 July: "The Lessons of the Maribor Strike"]

[Text] Kisovec, 4 Jul—The time has passed when perhaps somebody thought that he himself and his close living and working community could avoid the general regression. Now we know, and we feel, that it is not possible to achieve anything essential unless it is achieved all over the country. Likewise it is becoming more and more clear to us that we must more boldly separate the good managers from the bad, for a worker who works more and better is not prepared to work long for another worker who works less and worse, Stefan Korosec, secretary of the LCY Central Committee Presidium, said among other things in Kisovec at a miners' celebration.

The attempts so far of economic reforms and of our advance in the set direction have not brought the expected results, not so much because of the erroneous design as because we have not mastered the difficult consequences and we have not dared to face the dissatisfaction of the people, to whom we have not been able—because of irresolution, inflexibility, as well as insufficient ability—to point out the opportunities, so that they may take care of themselves with their own activities under the aggravated conditions and may be interested and motivated in the implementation of reform programs. The present aggravations in a certain way are a check on our consistency, readiness, and resolution, on whether we will persist in the direction that we have adopted and grapple with real problems in a new way, or only repeat the old mistakes. To deviate from the present direction of economic policy would simply mean that the present reform will meet the fate of our past reforms, and therefore that the distrust of the working people and citizens in the ideological ability and working ability of the leading subjective forces will grow. The essential thing is that this is the decisive opportunity to avoid being pushed to the sidelines of European and world developments by economically strong states that dictate the pace, regardless of the socioeconomic system and our own impression of ourselves.

The present work stoppages are not merely a warning of the workers' dissatisfaction with their social position, but are also an expression of their responsibility for the specific situation and socioeconomic position, for the scope of their decisionmaking has been radically reduced. The way out of the crisis lies only through the creation of greater income and through responsible decisions on what has been created. The awareness must strengthen in the consciousness of all the people in Yugoslavia that commodity production in all its elements must necessarily be affirmed, and that the market,

all the production factors, and production and services directed toward the world must be strengthened. From this direction we must derive suitable forms of economic motivation and of affirming the responsibility of all those employed in a given associated labor organization, for the purpose of effectively managing the entire business process and of rationally managing social resources.

With the new reform orientation, which must be promoted by workers, experts, and managing cadres in associated labor organizations, the activation of one's own forces and the willingness to take risks with new production programs, organization, and business methods are essentially the chief and decisive means both in order survive and in order to push up to a higher level of development. Therefore, we must not wait for anything, and even less should we say that we lack the necessary knowledge. The decisive thing is that we want to go along this road—and we all know that we must go—and the professional and leading workers will then know how to find links with those who will help them if they would not be able to solve the problem by themselves.

Dizdarevic: No Alternative to Economic Reform
LD0207162588 Belgrade TANJUG Domestic Service in Serbo-Croatian 1606 GMT 1 Jul 88

[Excerpt] Belgrade, 1 Jul (TANJUG)—There is no alternative to economic reform although one might say, looking at some of your speeches, that even though today we swear by reform, nevertheless we are leaning somewhat toward the old way in our views and demands, stressed President of the SFRY Presidency Raif Dizdarevic, addressing members of the Yugoslav Trade Union Federation [SSJ] Council Presidium, with whom he had long talks today on topical socioeconomic issues.

Dizdarevic was informed about current trade union events and actions by SSJ Council President Marjan Orozen and the presidents of the republican and provincial trade union councils.

We have used up enough words in assessing exactly what has happened, what the causes are for the situation in which we find ourselves. This time, Dizdarevic noted, I do not want to go into all of that, but I would like to give a just a few illustrations.

From 1980 to 1987, and now this year as well, we have been registering a low rate of growth for the social product, somewhere around 1 percent. In fact, we can say that we are in a long-term period of stagnation. At the same time, not everything has been going up so slowly. For example, retail prices have grown by over 800 percent in only the last 3 years and we have returned to the level of real personal incomes which we had 18 years ago. General and collective consumption in the period up to 1980 made up 30 percent of the social product, and this was under conditions when there was a rate of economic growth of 5 percent and more. After 1980 the share of this consumption grew and in 1987 it reached as high as 37 percent. Together with the first statement about long- term stagnation, the most serious consequence has been that the share taken by industry in the distribution of income has fallen.

Can we go on like this? Even if anyone wanted to, we have nowhere to retreat. Behind us, if we had continued in that way for a little longer, is an abyss, and I think that before us are realistic possibilities for overcoming our difficulties, Dizdarevic said. These possibilities are called economic reform.

We must regain the lost ability to concentrate all social efforts and forces on that which is most essential at any given moment, Dizdarevic said.

Stirring everything up at the same time would mean losing our way, he continued. The SFRY Presidency continually insists that priorities should be established for involving and uniting everyone in the realization of those priorities. And for us today, and I repeat today in particular, it is essential to concentrate all forces and to unite efforts on a few of the most important issues.

The issue above all others, in Dizdarevic's opinion, is economic reform. But it will not come about without the timely adoption of constitutional amendments and changes which will make the system democratic and more efficient. Also, of course, we must constantly make efforts to stabilize the political situation and relations in the country. In this regard we must devote maximum attention to Kosovo and the phenomena of nationalism. I must say that political circumstances and problems, which, however, also include many unnecessary and irresponsible politicizations, occupy public attention to such an extent that they objectively and in fact contribute to the worsening of economic conditions and to the weakening of our potentials, our abilities to concentrate on the carrying out of economic reform, without which there can be no political stabilization.

The SFRY Presidency considers, Dizdarevic stressed, that the economic reform which has been begun cannot be implemented without extraordinary efforts and consistent application of and respect for established measures of economic policy. In this, all sectors of our society must persevere united. Because any departure from the path of reform would only make the crisis deeper, Raif Dizdarevic stressed.

I think that the greatest enemy of progress and of every creative undertaking is hopelessness, he continued. I have the feeling that the most difficult thing for the workers is that they cannot see definite prospects for a way out of this situation. They often say: tell us how we can start improving things. This has been said here today as well. The mood of the workers has been expressed as: We will make sacrifices but we must know why and for how long! I was recently at a meeting where I heard these words: We, whose lives have been made senseless by the crisis, all need hope.

So, in one way or another there are increasingly frequent calls from the workers asking: What does the future hold? We are opening up prospects for that future, said Dizdarevic, with economic reform. This offers, I would say, certain specific aims with clearly defined time limits. For example, we have said that by the end of the year we should achieve a target rate of inflation of 90-95 percent. This, of course, would be a great advance because to reduce 170 percent to that is a huge step. When we speak of prospects being opened up by this, I think that we have created the preconditions for achieving specific aims this year, in other words, not in some bright and faraway future.

I see from the information which we are receiving, he added, that the supplies of energy and semimanufactures are satisfactory. There are no longer foreign currency difficulties for the importation of equipment and semimanufactures as there used to be, since the foreign currency market—which some feared like the devil—has, in fact, begun to work successfully. Exports are increasing, although we should not ignore the fact that their tendency for growth has stopped. We have a surplus in the current balance of payments. We have created favorable conditions through an agreement with our foreign creditors, by means of which we have freed a significant sum of resources which would otherwise have had to be repaid this year. We have ensured a significant sum through new credits. Of course, this will be paid for by this country, but at this moment it provides a favorable point of departure in our reforms.

I have the impression, Dizdarevic said, that so far people have been more afraid of reform, and that they have not been told in what respect reform opens up prospects for a way out of the crisis. It is a very good thing and I truly welcome that which has been said at today's meeting, particularly that which was spoken about by Marjan Orozen, that you are organizing seminars in all the municipal trade union councils which will have the aim of explaining the situation in order to mobilize and involve people.

Is the level of our current preparedness such that we are realizing the measures which we have adopted and are preparing ourselves for united and effective realization of the measures which are to follow, Dizdarevic asked? I must say that the measures taken so far have been only initial ones. The full measures are still to come, and we must prepare ourselves for them. The schedule of activities is well-known. The FEC Commission for the reform of the economic system is preparing specific directions and regulations because we cannot wait until the constitutional amendments are adopted and then prepare ourselves. According to the schedule they should be adopted by the end of November. A month is a short time for the economy to prepare itself for that which awaits it, and the tasks are enormous.

I think that some reactions to certain situations which have arisen could have been avoided if we had prepared ourselves and if the implementation of some regulations had not been embarked on so clumsily, such as the law on limiting personal incomes. It is certain that working people would not have had to use the means which they did—I am thinking of strikes which have occurred in a good many places—if our preparations had preceded the regulations rather than following certain situations which were caused, said Dizdarevic.

In this respect, on one hand reform is only spoken of as something difficult and dark which has to be overcome, and on the other hand there are illusions, very dangerous ones, since in many places people think that the new measures will satisfy everyone, that reform will satisfy us all. Also, in many places it was thought and is still thought that the most important thing is the freeing of prices, in other words that by increasing them, all needs will be met and all weaknesses covered.

As far as unpreparedness is concerned, the president of the SFRY Presidency continued, the final moment has really passed for every basic organization of associated labor, the complex systems, economic and trade chambers, municipalities, republican and provincial organs, and the organs of the federation to create operational centers which would exist and act to prepare and propose to the organs programs of action for the realization of adopted and forthcoming measures. And of course, everything should be done so that the management and self-managing organs, the assemblies, the executive organs, and the workers know the situation, know what it is that they should do. Wherever such an organization does not exist, and from our own insight it seems, unfortunately, that this is the case in many places, it must be established immediately. The trade unions have a large role to play in this.

A condition for the success of reform is organization and mobility. According to Dizdarevic, we have not embarked on such a socioeconomic undertaking since 1965 and yet we are so badly organized. Of course, in individual areas of the economy, in various work organizations, problems are arising because the value of all work will have to be tested on the market and not everybody is in a situation where they can take the consequences of this. Among them are some who should be helped in order to allow them to meet this demand. They should be given concessions. We must not leave them on their own. Those who have no chance whatsoever, because we created them in such a way, should get help from all the social factors for a complete reorientation, and wherever it is essential, there will be the liquidation of that which is economically untenable.

The shortage of resources is the reason why investment activity has fallen to a large extent, in Dizdarevic's view. But this is not the only reason, he said. We are not even using the humble potentials for investment which exist because, among other things, of the fixed idea that an investment can only be a large factory. We must get used to the idea that investments in small plants, in small business concerns, whether social or private, are the path

which we must follow as far as the structure and adaptability of the economy to all situations is concerned. Unfortunately, in many places and judging by what I have seen personally, this orientation has not prevailed and is not present to a sufficient extent.

Having stressed that the success of all other measures depends on reducing inflation, Dizdarevic noted that the target inflation rate was not established by the FEC, or only by the SFRY Assembly. All of us together in Yugoslavia have established it, by agreement and by collective decision. This is our great common need in which we have a great interest. Thus, the realization of this target rate is a collective responsibility. Nevertheless, there are insufficient activities and measures are being taken only slowly for economic effects on the market. I share the opinion which has been put forward here that we are slow when it comes to rapid and efficient intervention by means of imports and reserves.

I do not think that we can expect anything, he warned, on the basis of bare prognoses. We have made the prognosis that inflation should be 95 percent, so now let us see whether it will be! But economic reform is not like hunting, it is not a matter of wait and see if anything comes along. One cannot make prognoses without doing anything.

We must say clearly that each will bear the consequences alone for his unconsidered decisions following the liberalization of prices. The SFRY Presidency, addressing the public a few days ago, warned that organizations which find themselves in difficulties because of their own irresponsible behavior on the market and because they have failed to adapt to market demands, cannot expect social support. Those who go along that path will soon face stockpiles; they should not expect their lack of thought, their essentially nonmarket behavior, to be compensated again by our fiscal policy. There will be no concessions in this respect.

Dizdarevic also warned about the actions of sociopolitical communities. Because this increase in prices in June of 21.1 percent, if it is broken down into its components, shows that almost three-quarters of the increases are those which were enacted by the organs of sociopolitical communities, of the federation, republics, provinces, and municipalities.

Speaking about personal incomes and the application of the law to limit them, Dizdarevic first of all called for the truth to be told clearly and honestly to all the working people and citizens of this country. In fact, no one has ever gotten out of inflation without limiting the growth of personal incomes. Limitation of the growth of personal incomes is a necessity for getting out of the economic crisis and realizing the reform which we cannot achieve without reducing inflation. This is the great sacrifice being borne by the working people. And we appeal to the working people to bear this sacrifice. And now, in these decisive moments of the battle, let us "train our guns" on the target of finding a way out of the crisis and toward progress.

We must restrain the growth of personal incomes, as well as applying all other measures, in order to reduce inflation. But we must find out if it is possible to give more scope to those who work well, who are the proponents of reform, of reforming goals, so that they can earn more and so that we can get out of this kind of red tape as soon as possible.

According to Dizdarevic, there have been, as well as many instances of clumsiness in the application of the wage law, certain instances of improvisation as well, and the people are concerned about this. You will have noticed, he added, that in passing these measures the majority of strikes have taken place under the slogan: "pay us what we have earned", rather than "increase our personal incomes which we have not earned", the exception being Maribor.

There can be no realization of the reform, nor any resolution of the social problems which we are talking about, Dizdarevic continued, without a central advance in the tax system and taxation policy. This presents itself as one of the most urgent tasks. That is the view of the Yugoslav Presidency. Those solutions in the tax system and in taxation policy which contribute to the more equitable distribution of the burden of economic reform and to the prevention of unjust social divisions, and to collecting revenues which are not the result of work are particularly significant. A further delay in advancing the tax system and taxation policy is not permissable. The greatest responsibility for the realization of these decisions is borne, according to the SFRY Presidency, by the competent organs of the republics, provinces, and municipalities. We can no longer repeat this. We must make demands, we must exert pressure so that these measures are embarked upon. The trade union should be the organization which, in the name of the workers, will exert pressure for this to be realized and not just requested. You know that in this matter there are all kinds of interests, delaying tactics, and all sorts of things which have accumulated. This is not just bureaucratic inertia, there is also something else.

It is essential to adopt programs of social measures immediately and everywhere—in the work organizations, the municipalities (to help those organizations of associated labor whose workers face the consequences of the difficult situation), in the republics, and provinces—measures which will ease the position of those who suffer. In other words, measures which will ensure secure resources for social programs. There have even been calls and specific proposals for us to open up funds at the federal level. In my opinion, Dizdarevic said, there would be no sense in even considering this, because it is not possible realistically. But it is possible for the federal organs, through their measures, to free the economy

from certain burdens, that is, to unburden the organizations of associated labor which would then be able to finance social programs for their workers.

Some of the activities of trade unions which help working people are of great importance. For a man who finds himself having difficulties in making ends meet, a hot meal or help with winter food supplies and with equipping his children for school means a great deal, because all that costs a lot. Assistance for heating also means a lot.

Returning to the problem of strikes, Dizdarevic expressed the conviction that the trade union must be a proponent of an initiative for solving all contentious issues which are the cause of work stoppages. When such issues arise, I think the trade unions should be in the lead, and that they should speak in the language of the justified demands and interests of the workers. But they should ensure that there is reasoned argument among the workers about those things which do not represent a justified demand, which are not socially acceptable or possible.

There is some hesitation here: Are we for strikes or are we not, should the trade union lead them or not? Well, they do exist, regardless of whether we are for them or not. Should the trade union remain on the sidelines? Will the trade union lead the actions of the working class even when they are not the right ones, and when something is unacceptable? There has been an increasing number of cases of workers coming to the federation. Dizdarevic considers that it is their wish and their decision to turn to the highest organ of power and self-management. I think that the question of whether or not we should accept this is not the right one, he added. Anyway, who can prevent this and what means could be used to prevent it? The question is: What has been done by the management organs and the organs of self-management, the trade union organizations, the LC organizations, the Executive Committees of municipal assemblies, and the assemblies themselves, the municipal LC committees, the municipal trade union councils, and other organs?

What have the organs in the republics and provinces done? It is evident that at all these levels there has been a lack of action and the workers, of course, were compelled to go to the federal organs. As far as measures which affect them are concerned, if we involve ourselves at all levels to correct that which must be put right, then people will not have to come here. All these organs have the duty and the task of considering and solving the problems of workers, he said.

When the comrades from Zmaj [Belgrade agricultural machinery firm came to the SFRY Assembly, they said that they would not have had to come if the responsible people in the Zemun municipality had listened to what the workers were warning about for days.

There have been attempts, Dizdarevic noted, for those who have completely different interests, interests which have nothing to do with the justified indignation of workers, to join in with this dissatisfaction. This also occurred in front of the SFRY Assembly, when the workers from Zmaj came. They resolutely and in a dignified way rejected this. There were similar attempts in Maribor. There too, in the end, the workers refused this. I must say that there were also some events which we must all resolutely oppose. Here I am thinking of what occurred in Split, when taxi drivers blocked traffic, blockaded traffic, blockaded the airport. Is that acceptable? In Maribor at one point there was a blockade, not just of the railroad, but of all routes for traffic, and the city was isolated for 3-4 hours. This cannot be tolerated.

As far as constitutional changes are concerned, in Dizdarevic's opinion these should be carried out in the time set. All of us should take heed of this, because some people and some leaderships, are behaving rather irresponsibly and are politicizing things. They are digging themselves in, there is a lack of the responsible behavior which would mean that we are in command of what we must do in order for the country to get out of this situation. We must publicly oppose this, from the SFRY Presidency to the basic trade union organization. Whoever hinders this task must be prepared to answer in front of all the citizens of this country, and not in some closed institution of his own.

In the SFRY Presidency we have assessed, and in our last address to the public we insisted, Dizdarevic continued, that everyone, from the organization of associated labor to the SFRY Presidency, ensures in the summer months continued work on implementing the measures which have been adopted and on preparing the economic reform and the constitutional amendments.

Since there was quite a lot said at the last session of the SSJ Presidium Council about the size of the social administration, and about certain figures which make ones blood run cold—it was said that we are "losing $2 billion on this", "$3 billion on that", that we have so many self-managing communities of interests, some 170,000 socially-owned cars, and so on—we appeal, Dizdarevic stressed, for the trade union organization to undertake the initiative before the workers' council for there to be fewer cars than there are now in the basic organization or in the work organization. The municipal council in the municipality should put this demand to the Assembly, in the republic it should put the demand to the republican councils and here the trade union of Yugoslavia should take action to decrease these costs, so that we can clear the matter up. Because otherwise we will be constantly repeating that this should be decreased, while everyone thinks that this concerns someone else, that these cars are someone elses, or that these self-managing communities of interests and expenses are enormous somewhere else, and that we are

not included in those 500,000 people who are at meetings during working time every day, we who, as you see, "are spending working time in this way," but that this must be "someone else"...[ellipsis as received]

Raif Dizdarevic then spoke more widely about what he called the incalculable contribution which the media can and should make to the success of economic reform. That contribution is a great one if there is a critical and constructive pointing out of all the inconsistencies of both the organs and economic subjects, and of that which is good and which should be supported, which will serve to give experience and inspiration to all, but also a pointing out of that which is socially unacceptable behavior, socially unacceptable demands. The media can do much to ensure that the intelligence and knowledge are publicly visible of those who can contribute to our creative achievement of what we must do.

We appeal to the media, to the collectives in the press, to all the working people in them, to involve themselves daily in this regard. I am personally convinced that they will be an important and influential part of the front for the struggle for economic and social reform and stabilization, said President of the SFRY Presidency Raif Dizdarevic, finally.

SSJ Council President Marjan Orozen said that the trade union highly values the gesture that the president of the SFRY Presidency had made in visiting the trade union. [passage omitted]

June Prices Mark 'Record' Increase

AU0707090088 Belgrade POLITIKA in Serbo-Croatian 1 Jul 88 p 10

[Text] (TANJUG)—Statistics for June shows a record monthly increase in retail prices. In relation to May they rose by as much as 21.1 percent. Because of price liberalization in June, it was expected that the prices, which have recently been rising by 5 percent a month on average, will rise three times as much. But price increases do not seem to care about forecasts.

According to the Federal Institute for Statistics, in comparison with the same month last year, retail prices rose by 175.5 percent, which means that this is by how much our inflation rose.

The price increases in June were affected by rises in electricity, fuel, edible oil, train, air, and bus fares, post office services, meat, alcoholic and non-alcoholic drinks, various services, and all other products whose prices were liberalized.

So, in relation to May, the price of foodstuffs went up by 23.5 percent mainly due to an increase in the price of meat of 59.3 percent and some other products.

A rise in the price of the so-called nonindustrial foodstuffs was somewhat smaller. Their prices rose by 17.7 percent, mainly due an increase in the price of fuel (35.7 percent), lighting (28.7 percent), and some other articles.

But some prices have in fact come down. The prices of agricultural products were 2.2 percent lower than in May because of the seasonal reduction in the price of fresh vegetables (12.3 percent).

The cost of living in June was 19.9 percent higher than in May and 146.9 percent in relation to the last year's average.

Mikulic on Effects of Economic Policy

AU0707193888 Belgrade Domestic Service in Serbo-Croatian 1700 GMT 7 Jul 88

[Text] The Sarajevo radio program Open Studio has interviewed FEC President Branko Mikulic, on the effects of the economic policy measures since 15 May and on the reform of the economic system. We are broadcasting the most interesting replies from the 1-hour talk between Branko Mikulic and the Radio Sarajevo journalist, Ivan Kristic.

Speaking about the effects of the economic policy measures (?formulated) by the FEC, Branko Mikulic mentioned:

[Begin Mikulic recording] I will mention, for example, that the trend toward a reduction in production, which had lasted several months, was halted in June, that is industrial production. We cannot, of course, on this basis, talk about (word indistinct) which means that (word indistinct) have begun. However, the fact is encouraging that there has been a halt in the trend which had lasted too many months.

According to what surveyed associated labor organizations have announced, an (?expansion) of industrial production could be expected in the second half of this year. I hope that there will be an (?expansion) of investment activity in Yugoslavia in the second half of the year because of two serious reasons, among other things. One is that we are left with funds from the rescheduling of foreign debts which could be directed toward investment and the second is that we have to provide funds to begin building the Brotherhood and Unity Highway.

Therefore, (word indistinct) has been going quite well during this year, we are relatively happy with the results. Exports have increased by 16 percent in total; exports to convertible currency markets have increased by a little more than 20 percent, and those to the developed countries of the West by 27.6 percent; this is up until 30 June. Then the foreign currency market is functioning very well. I would say that this market is even functioning beyond the expectations that we had in the FEC. I can say that business of more than $1 billion went through the foreign currency market in 29 days and the

National Bank did not intervene with more than $92 million of its funds. We expect this year (words indistinct) which as a whole is in our favor, so that we are already able to weigh up the effects of these measures. [end recording]

The FEC President then stressed that we should limit public spending in order to be able to reach the target inflation rate.

Speaking then about the increasingly frequent strikes, Branko Mikulic said:

[Begin Mikulic recording] As far as strikes and the arrival of strikers at the SFRY Assembly are concerned, I would say that problems are not solved in this way. Problems in some collectives which have amassed over the years cannot be solved on the steps of the SFRY Assembly nor in the streets but must be solved in the collectives, in the communes. There have now been the Borovo workers, whom I do not reproach in the least. However, this is a collective of more than 20,000 people, which has debts of 136 billion dinars, which has 100 billion dinars of (word indistinct), and losses of 24 billion, which all amounts to about 260 billion new dinars. This cannot be solved on the steps of the SFRY Assembly. These are crazy problems in the collective itself which have to be dealt with in the work organization.

A delegate from Borovo came to me last year and I said to him then that there is the obvious need for them to adopt a serious program of restructuring, and if the domestic and world market do not accept products, who will finance this production? We must behave in a market fashion. We should change the concept of production and produce for the market and it seems that we are being asked to provide funds to finance reserves, there is no need for goods which are not accepted on our own or foreign markets. Such things must be stopped. [end recording]

Can social unrest postpone the reforms, was one of the listeners' questions, to which the FEC President replied:

[Begin Mikulic recording] (Words indistinct) because if we refrain from reform this time as well, I will sincerely and openly say that I do not see much in our future. We will condemn ourselves to being an economic province in Europe on the threshold of the next century. [end recording]

Slovene LC Plenum Debates Local Issues

LD2806214588 Belgrade TANJUG Domestic Service in Serbo-Croatian 1636 GMT 28 Jun 88

["Slovene LC Central Committee Plenum: Debate"—TANJUG headline]

[Excerpts] Ljubljana, 27 Jun (TANJUG)—If we are convinced—and the unanimity with which we adopted the conference documents confirms that we are—that in view of the level of development of their material and production resources the Slovene Communists have offered the best and most realistic project for democratizing our society, then the time has come for us to ask who considers our ideas inadequate and unacceptable, Emil Rojc asked in the debate. I am convinced that among the latter one would not find very many workers who create new values and who are trying to tackle the problems of restructuring, to struggle for a market-oriented economy, and for successful exports. Why have the leaderships and LC organs not devoted more attention to the composition of our membership? [passage omitted]

With reference to the arrests in Slovenia, Emil Rojc said that we should not remain indifferent to the fate of the three arrested Slovenes but that a critical reexamination is needed of the ways to do away with some of the outmoded and higher forms of socialist direct democracy and inappropriate legal, civil, and military regulations. We should, however, be honest enough now to ask how many of us went out to Liberation Square in Ljubljana at the time when the parliament in Vienna informed the entire Slovene nation—and not just those parts living in Austria—about the tragic news that their almost reaffirmed right was rejected. [passage omitted]

In Bogo Gorjan's view, despite some disturbing events the present topical developments in Slovenia have still maintained a democratic character and are basically a result of justified dissatisfaction.

In the process of mobilizing all our forces for the program of political and economic democratization in Slovenia, we have unexpectedly been confronted by premeditated and orchestrated statements about counterrevolution, about the activity of some special foreign services in Slovenia. These statements, according to Gorjan, were adopted in the absence of and contrary to the Slovene political leadership—a completely unacceptable practice. These statements, have an obviously statist character because they only serve to perpetuate the climate of confidence in the capacity of the democratic public in Slovenia and of its democratically elected political leadership to assess, on their own, the situation in Slovenia and to tackle excesses. These statements were made by some of the military departments and were repeated by the top and most responsible representatives of the Yugoslav People's Army [YPA]. Without wishing to deny them their right to do so, Gorjan said that they can be criticized for the biased nature of their statements, for irresponsibility in the way they present and adhere to them even after the Slovene democratic public clearly indicated that it disagrees with them, that they are unacceptable, and an unacceptable attempt to compromise the democratic leadership in Slovenia. Gorjan noted that the members of the LCY Central Committee Presidium also do not accept these statements in their entirety and that, most of all, they do not accept the statements as accurately reflecting the situation in Slovenia.

Despite these attempts, our public's confidence in the YPA and in its ability to carry out its fundamental tasks has not been undermined, Gorjan stressed claiming that there is no conflict between the YPA and the Slovene public or with the Slovene political leadership. The YPA remains a firm defender of our constitutional system, of self-management, and of nonstatism. However, the undeniable fact that the spontaneous democratic atmosphere in Slovenia was characterized by a great deal of nationalist, anticommunist and antisocialist behavior on the part of some individuals and groups is very disturbing. Speaking about the unacceptable methods used in the recent situation in Slovenia, he mentioned attempts at violating free democratic opinions. We were faced with pressures to commit ourselves individually by signing petitions. There was indoctrination in schools and among young people who did not have a clue of what it was all about. In Gorjan's view, reaction to these developments was not determined enough. The aim behind all these methods was to exert pressure on the the Slovene political leadership and on the YPA to sow general distrust of political and state institutions. All this happened as a result of the fact that we, as communists and political workers in the Socialist Alliance, failed to be ideologically consistent, agile, and on the offensive, Gorjan said. [passage omitted]

Expressing his support for Kucan's introductory speech and for the Slovene LC Central Committee Presidium's statement on the developmens in the republic, Franc Setinc stressed that circles still exist in both Slovenia and in the entire country which think that the reforms do not concern them, that they have no need to develop further, to search for new, improved programs, to reduce spending, to improve the quality of products, to economize...If unacceptable ideas and behavior are promoted in the name of democracy, we must not lose courage and stop in our path. We must not be deceived by those who wish to present Slovenia in the wrong light, as the black sheep of Yugoslavia. [passage omitted: Setinc admits that no serious moves have been made in developing the Socialist Alliance to satisfy the imperatives of the present juncture]

Commenting on a proposal by the Ljubljana University LC Committee that at the next political plenum the LCY Central Committee members from Slovenia should raise the issue of confidence in the capabilities of the present LCY Central Committee Presidium and in each of its members individually, as demanded by the LCY conference, Setic said that the issue will be raised during a debate on the Presidium's work. This debate will not be routine but will deal with real issues. At the LCY Central Committee Presidium's session we were of the view that the introduction to that item on the agenda should not be a routine one either. He stressed that he himself is going to take part in the debate because he called for a debate on the issue several months ago.

For some months now we have been discussing the so-called counterrevolution in Slovenia instead of devoting our attentions to the strategic issues of transforming our economy and society. Each day lost increass the danger of counterrevolution, Setinc said adding that he, however, does not wish to underestimate the efforts to prevent attacks on the YPA. To describe the YPA as an occupying force deserves sharp condemnation. However, things should be given a realistic dimensions and without affecting honest people committed to socialism and to socialist self-management, Setinc stressed. [passage omitted]

Noting that Kucan provided a real version of his discussion at the LCY Central Committee Presidium's March session, Setinc said that there is no point in hiding the fact that the session was characterized by great differences in the views of the situation in Slovenia. The outcome of the prolonged and arduous discussion was that the standpoints at the session contained no reference to counterrevolution and to special warfare in Slovenia. Some continue to think that this was a kind of retreat, a giving in, almost an opportunist act. Some of us are convinced, however, that the decision to drop the reference to counterrevolution from the standpoints could not itself prevent the circumstances from giving rise to the views that it was not just unacceptable articles which were the target of attacks but also democratic processes in general.

Franc Setinc stressed that too much space was devoted by the press, in various statements, and at sessions of the claims of counterrevolution, special warfare, mass movement, pseudo-liberalization, social democracy, etc, to appease the public. The majority of people are genuine and determined in their condemnation of the articles on the YPA but cannot accept arbitrary and tactless claims about the alarmingly dangerous situation in Slovenia. Setinc called for the creative resources of the progressive socialist forces in Slovenia to be used in future to provide a more resolute opposition to insulting articles and attacks on the YPA and at the same time advocated an atmosphere of greater trust and tolerance within our multinational community. [passage omitted]

Setinc described the situation in Slovenia as difficult and complicated but not as dramatic as some see it from the distance. There are signs of renewal in the economy, in politics, and in social life. There is no shortage of excesses and even shameful acts. However, among the working people there is evidence of greater courage and more willingness to participate in political life.

Yugoslavia needs Slovenia and by the same token Slovenia cannot exist without Yugoslavia. Slovenia is truly the most developed republic but its problems are of the "developed" nature. Yugoslavia must show more understanding for this specific feature and respect it in the same way that Slovenes must understand and respect differences in others in Yugoslavia.

I did not agree with the views about counterrevolution, special warfare, Stane Dolanc said without trying to explain in greater detail why he was against such arbitrary assessments in general. In the organ where the

Slovene Assembly sent me as its delegate, Dolanc continued, we are trying to prove that at the present juncture the most fundamental problem facing Yugoslavia is the economic situation and ways of overcoming it. We have been completely oblivious of some very important things, Dolanc said warning that the failure to produce results in overcoming the crisis could lead to a conflict between the working class and the LC which, in his view, is the most dangerous conflict of all.

Speaking about democracy and relevant debates, Dolanc stressed that he had nothing against bourgeois democracy but that class democracy based on socialist self-management is our goal. In Dolanc's view, in recent times the LC has been on the ideological defensive and has not shown enough organization to oppose various ideological tendencies. In the present economic situation, according to Dolanc, the LC should be much more on the offensive than it is now. He endorsed Kucan's speech in its entirety stressing that the current economic situation provides an ideal platform for all possible deviations and excesses of all hues. I think, Dolanc said, that certain ideological deviations occurred in Slovenia which the LC must consider in a much more organized and thorough way.

Noting that the situation has been complicated by a "few episodes", Dolanc spoke about the arrest of the three men or, as he put it, about the "Borstner affair". In his view, the name he gave it reflects the true nature of the problem. With reference to the arrests of Borstner, Jansa, and Tasic, Dolenc said that he cannot understand what the problem is. Is it just a lack of confidence in the work of military investigative organs, or a lack of confidence in our military criminal law? Dolanc asked noting that the military criminal law together with material and other laws was created neither by the LCY Central Committee Presidium, nor by the Slovene LC Central Committee Presidium, nor by the SFRY Presidency, nor by Slovene Presidency, but by the Assembly and, before that, by a commission comprising the best Yugoslav legal experts. Not a single one of them said that the military law was not good, Dolanc said stressing that our society and democracy have reached a level of development which calls for changes in this law. However, this should be done through legal means and not just on the basis of one case or just in Slovenia, Dolanc said. He asked why such politicization of the case took place. Dolanc referred to what Kucan said about the so-called military coup and the list of future detainees and stressed that Kucan told the whole truth. If this is not so, Dolanc said, or if some people have their doubts about this then I, Kucan, and Ertl must go. Dolanc warned that in the course of this great political campaign no one has asked who was the first to entice us with the idea of a military coup which everybody is talking about but no one has asked what the motives behind it are, Dolanc says.

As far as I know, it first appeared in an article in 'MLADINA'. Let us then sit down and see what we can do with 'MLADINA'. Does it really have the right to provoke us all, in Slovenia, in the Slovene LC, in the whole of Yugoslavia and in the entire world, in a completely irresponsible way, Dolanc said.

I think, Dolanc said, that it is of exceptional importance that we persevere in implementing the standpoints of the LCY conference and the conference of the Slovene LC in the way that Milan Kucan described, and that we continue to be aware of the fact that the real exacerbation in the political situation is yet to come. This is not its culmination. It will become more exacerbated not because of the economic situation but because of the constitutional debate—and not just because of Slovenia's attitude, Dolanc said. Since the sphere of constitutional amendments provides fertile ground for conflicts in Yugoslavia, I fear that this will come to a head and that the situation will be used by some factors, at an appropriate moment, to blame Slovenia or some other republic or province for everything. The issue here concerns the exacerbation and development of the fundamental conflict between, on the one hand, tendencies seeking unitarism and statism and, on the other, socialist self-managing democracy and economic reform in all its elements. According to Dolanc, we support the economic reform verbally but it is specific problems which provide an insight into the fundamental differences between us. In Dolanc's view, the adopted economic relations and policy must be promoted at any price, even that of serious conflicts.

Stefan Korosec refused to accept individual views and theses about counterrevolution in Slovenia and about the existence of a separatist movement, let alone evidence of wavering and lack of determination in implementating the standpoints of the Slovene LC conference whose essence is the process of developing socialist democracy. Korosec warned of the growing anti-Slovene mood in Yugoslavia and of the anti-Yugoslav mood in Slovenia and of all the possible consequences, and went on to say that a combined method has to be found to help the integration of Yugoslav society on new foundations, as defined at the conference, and to create scope more quickly for progressive processes in which the whole of Yugoslavia must take part.

In reference to a view put forward at the LCY Central committee Presidium's session to the effect that the organized subjective forces in Slovenia failed to carry out the necessary political activities, i.e. that they were on the defensive, Korosec said that this view goes together with the thesis that the Slovene political leadership has underestimated the process of widespread, unhindered indoctrination of young people, in particular, against the Army and the federation, and even the changes in the economic and political system. Such claims must be supported by well-founded arguments and those responsible for them must be prepared to stand accountable to the public. In Korosec' view these suggestions are incorrect not only because of the absence of arguments but because the two have been reversed.

The initative to make the federation more efficient has been interpreted in a contrary manner—we are accused of being against the federation, Korosec said.

Korosec also drew attention to Slovenia's biased views toward the YPA. They are one-sided because they are based on a few newspaper articles. In the struggle for socialism suited to man and in order to resolve certain issues, developments, and problems we in Slovenia must rid ourselves of the allies who act from statist, nationalist, and anti-socialist positions. At the same time we must resolutely denounce all uncivilized attacks on the YPA representatives. [passage omitted]

Speaking about current events in Slovenia, Dusan Sinigoj recalled the recent speech by the republic's secretary for internal affairs to a group for all-people's defense and social self-protection in the Slovene Assembly. He stressed that the internal affairs secretary is independent, that he carries out his duties in a professional way with political awareness, and that he alone is responsible for his work. In these particular cases the internal affairs secretary does not have to ask for advice either from the president of the republic's Executive Council or from any one else in the republic. His conduct is in line with his duties as directed by his conscience and sense of responsibility. In this he has the backing of the republic's executive council, Sinigoj stressed. [passage omitted]

Ivan Dolnicar asked whether the LC is at all capable, in the existing situation and by proceeding from its own programs, standpoints, and conclusions, to launch a real initiative to bring about genuine changes in the situation. The situation is exacerbated by the fact that the people and the public have been saturated, primarily, by scandals, affairs, and excesses. He warned that there are individuals in leading positions who have identified themselves with the organization, the system, the state, and even with the revolution. From these positions they are meting out judgements, labels, and lessons to others while remaining untouchable themselves. Dolnicar called for personal and public responsibility to be assumed by all, regardless of functions and positions. This would eliminate numerous misunderstandings and differences which have come to the fore especially in recent times.

If the revolution is identified with administrative control of public affairs and of society under the guise of self-management, of ideological monolithism, and unity—which do not allow free thoughts and creativity—of unity at the expense of people's equality, then there is counterrevolution in Slovenia which, of course, has a completely different name. This has to be explained in unambiquous terms, Dolnicar stressed.

The existing social circumstances and the situation to raise as a result of the reforms in the economic and political system will require a special debate about the ideological issues of defense and protection and the implementation of the concept of all-people's defense and social self-protection. Our reaction to deviations from theory must be very clear and our response to various unacceptable and hostile ideas and concepts of the defense and the YPA, as promoted in Slovenia and elsewhere, must be supported by valid arguments. Dolnicar suggested that the Central Committee should discuss the issue before the fall session of the republican Assembly.

It should be stressed clearly and resolutely that recently great moral-political damage has been done to the YPA members through negative, offending, rude, and unprofessional articles on defense and on the YPA, as well as by other false and unfounded accusations. The effects of this will be felt for a very long time especially among the young. It will not be easy to overcome the present atmosphere of mistrust among the young, the army members, and people in general, Dolnicar said. We must really do our utmost to rid ourselves, as soon as possible, of conflicts and misunderstandings over the Army and direct all our resources toward tackling the real issues. At the same time the issues concerning the Army and its position in society, which should contribute to strengthening its combat and moral capacity, should be considered in a very responsible and sober way, Dolnicar said.

Late this evening the Slovene LC Central Committee ended its work by adopting a number of statements and conclusions. In the course of the debate in which 40 Slovene LC Central Committee members and guests took part, support was given to the introductory report by Milan Kucan who, on behalf of the Slovene LC Central Committee Presidium, outlined the tasks delineated by the Slovene LC conference and by the LCY conference.

Support was also given to the self-criticism and assessments of its own shortcomings and insufficient efficiency in countering certain tendencies which, in an increasingly aggressive way, seek to impose a vision of the Slovene nation's future as being outside the system of socialist self-management and outside Yuvoslavia, and which distract the attention of progressive socialist forces from the crucial economic problems. In line with its sense of responsibility, the Slovene LC Central Committee provided a comprehensive assessments of the complex political situation in Slovenia and at the same time drew attention to the incorrect and damaging nature of statements about the existence of counterrevolution or special warfare in Slovenia, of a mass nationalist movement against socialism, against Yugoslavia, and against the YPA.

The Slovene LC Central Committee is of the view that emerging from the economic crisis is a central issue. The Central Committee supports the fundamental commitments in the economic policy program endorsed by the SFRY Assembly in May. It also wants to see preparations for the economic reform stepped up in order to define in specific terms the tasks of overcoming the

crisis. The way out of the crisis will be successful to the extent to which it becomes accepted by the working people and citizens and providing it is democratic.

The Slovene LC Central Committee endorsed the candidature of Stefan Korosec for the office of secretary of the LCY Central Committee Presidium for the next 2-year period.

Suvar Speech at Debate

LD2906092288 Belgrade TANJUG Domestic Service in Serbo-Croatian 1646 GMT 27 Jun 88

[Text] Ljubljana, 27 Jun (TANJUG)—Will our actions demonstrate that socialism in Yugoslavia continues to liberate thought and specific ideas? Will we be able to resolve every knot of contradictions by unravelling or cutting it? These questions conceal the enigmatic meaning of our whole project, stressed Stipe Suvar, member of the LCY Central Committee Presidium, taking part in today's debate at the Slovene LC Central Committee.

The reforms we are implementing, he went on, must be based on that idea; only in this way are they attainable. Democracy—and not just any sort of democracy, but socialist democracy, in which the real factor is the man, citizen, and worker; and not on some sort of political stage, where behind the scenes there is class exploitation; discrimination against people according to race, sex, belief, and culture; and lack of national rights and hegemonism of some nations over others, but in everyday life, in decisionmaking based on the results of labor—is in this country not in excess, but in short supply. There is democracy for the bureaucracy; technostructures and elites are stifling real democracy.

We must use our strength to stimulate criticism and democratic pressure from below, Suvar said. Not only are the people and the working class aware of their real interests, but they also remember what the revolution in this country overturned on the track of historical progress and all that we have achieved. In spite of all the accumulations and deformations in Tito's time, they have already arrogated the basic values of socialism and will not permit the road of socialist self-management to be abandoned. This is the capital of this society and this country. It is vital but has been deadened.

We listen to and watch the workers going out into the streets, going to the assemblies and the leadership buildings, and we try to pacify them; we give them uncertain promises and short-term concessions. But worker strikes and worker slogans demonstrate unequivocally that the working class feels helpless, that it is not being given correct and timely information and that it is not the one making decisions, in spite of the Constitution and all our norms. Unfortunately the working class still feels like an object. It seeks justice; while at the same time thinking that the leaders can resolve everything if they are capable and not privileged and corrupt.

We communists, Suvar said, must return to the people; we must go among the workers and must share both good and bad with the people. We must fight to regain the trust we have largely lost. The LC bears the greatest responsibility for the fact that the Socialist Alliance and the LC do not exert their due influence and force.

Viewed from this standpoint, there is today nothing sacred in our economic and political system which could not be changed. However, we are not developing democracy on virgin soil, as if it did not exist at all yesterday. We are not starting some new revolution which would destroy everything that was done yesterday and the day before yesterday as a mistake, an error, a series of blank spots, as the triumph of Stalinism or, as some would have it, as illusionary Titoism. We are not jumping on a bandwagon, as if in 1941, 1948, and 1950 there were no shifts in our own independent socialist development within the context and determinants of epoch-making achievements.

After Tito's death, Suvar went on, numerous prophets of doom among us and around us raised their voices. They assured us, and still are assuring us, that virtually everything that existed up until yesterday, and exists today as well, is a total failure. That we have taken the wrong road historically and ended up in a blind alley. They say we must start everything anew, that socialism is in deep trouble everywhere and that there is no way out except by merging with capitalism. There can be no democracy and freedom if we continue on the road of October and if there is no return to the road of the French and U.S. revolutions; socialist ownership is a pure construct which causes society to regress. Saying they oppose all ideologization or advocating alleged de-ideologization, many formerly concealed or even newly prominent ideologues of anticommunist and antisocialist "options" and "alternatives" have hurled themselves into the task of "demystifying" the revolution, the national liberation struggle, the LCY'S history, the role of Tito and other great personalities of our revolution.

They criticize our social development and its results, as well as our social relations, either advocating bourgeois economic and political solutions (advocacy of bourgeois restoration), or advocating state-socialist, unitarist-centralist, and national-separatist solutions (criticizing the LC as allegedly a Stalinist party, whose past is Stalinist and which continues today to act in a Stalinist way; criticizing socialist self-management as an allegedly failed experiment and as a means of bureaucratic manipulation, in order to bring about and maintain the fragmentation of the working class and its class interests; criticizing the normative institutional order of our intranational relations; criticizing socialism and communism in general and everywhere as unsuccessful ideological projections and practice which are beneath the level of bourgeois society and which boil down to totalitarianism, so far as to equate them with fascism or identify Stalinism and socialism; rejecting Marxism and "Unmasking" both Marx and Lenin; propagandizing the

policy of "national reconciliation" and national rallying round, and thereby of national confrontations as the sole basic and crucial ones, and so on.) All this took the LC by surprise and caused confusion in it and among its leaders, apparatus, and organizations; it penetrated into its ranks, sowing ideological confusion. The LC is only now preparing itself for a new ideological and political struggle, a struggle in which coverups and repression are not valid as they once were; the only valid methods are open arguments.

I do not accept the idea that in our country today we only have incipient democracy, whose young and frail body is scarred by unruly hoodlums and then by our clumsy and unnecessary measures. It is a question of continuity, not the opposite. Otherwise, the revolution could be defeated or betrayed. We are not starting from nothing and we are not throwing out everything in order to leave the original matrix of the revolution. There is no alternative to socialist self-management; there is no alternative to a Yugoslavia ordered on the AVNOJ [Anti-Fascist Council of the National Liberation of Yugoslavia] principles; there is no alternative to associated labor, to workers associated labor and workers decisionmaking on income, as the 1974 Constitution expressed it. We not only can, but we must amend the Constitution; in the foreseeable future we must introduce a new, better, and shorter constitution.

No serious person, Suvar said, opposes the operation of market patterns, the independence of economic subjects, greater private initiative, and the involvement of private funds in development and attraction of foreign capital, etc. (there is one limit to the latter: A class of big and middle capitalists should never be formed in this country again.)

The Slovene LC Conference, Suvar said, seems to me to have generally made the right emphases and pointed out the need for economic changes, political changes, and changes in the LC's role and the conduct of communists. Debate such as that which was recently held in your Marxist center, seems to me to be useful. There Marxists demonstrated in a well-argued manner that some of the initiatives from here for constitutional amendments belong to the 19th century. Such initiatives and such a battle of arguments in the public arena are encouraging. There is probably not a single Yugoslav who does not have his own opinion about the SR of Slovenia, about the Slovene syndrome, about the state of affairs "In my land" [dezela], as the majority of you Slovenes call your own and our republic.

This explains the great interest in Slovenia, which has for years been imagined to be a quiet and hardworking part of the country, creating no problems about anything and isolated in terms of communication from the rest of the country. Regarded phenomenologically, the "misunderstandings," problems, and confrontations emerged when this picture was destroyed by the indications of the great changes which really have taken place in Slovenia in the last few years. It is, in fact, true that Slovenia is communicating more and more within Yugoslavia, and is thereby losing the image it presented many years ago; indeed, it can now be said to have lost it altogether. A great ideological opening up, which emerged as the result of internal processes, has in the last 2 years culminated in a unique plebiscite, in principle for and against the theses. On the one side, what is involved is a model of democratization or liberalization of socialism. It is our spring, equal in significance to the Prague Spring; a final schism with Bolshevism, and a step toward the Eurocommunist model. It is eurodemocracy in contrast to the Asiatic way, not only in thinking and acting but also in production. It is the final victory of a civil society and a state accepting the rule of law. Finally, as I have been reading just the last few days, it is the end of democratization and the start of democracy.

On the other hand—probably in accordance with the principle of interlocking receptacles [reference to principle of physics] or an adaptation of Archimedes' law in Yugoslav political circumstances, a wave of dissatisfaction, criticism, and distrust has emerged in the form of theses. This is in fact an attempt to implement the thesis on "the death of socialism" and the incompatibility of communists and democratic processes; Slovenia has started to look beyond Yugoslavia and this is a matter of a democratic form which is in fact fascist in form. Using barren political wisdom—and indeed an enchanted balance—some golden mean should now probably be found and extremes rejected in the name of political compromise, while the preservation of everything existing in this. [incomplete sentence as received]

Whether we like it or not, tectonic processes have been set in motion which are only a warning—for the time being only partially in evidence—that we will never be the same again. The question is being asked whether things will be resolved in line with continuing the permanent democratization of socialism in Yugoslavia and by enriching the vision and practice of socialist self-management, or whether breaking with this line will mean real reasons for each citizen of this country—and perhaps not only it—to fear the future.

We will not find this road in euphoric dispositions and irrational passions, regardless of how much we try to simply remove all this from the agenda with phrases about democratization. All of this is valid when we speak of any republic, and so it also applies to Slovenia. A priori polls of democratic and conservative environments do not lead anywhere and do not mean anything except perhaps concessions to distrust and unnecessary differences. These polls are made without criteria; those who take the polls are often the only ones who devise the criteria. There are efforts to propagate democracy as something which is the sole possession of the Slovene nation, and theses are also voiced from here on progressiveness, while some individuals in other parts of Yugoslavia have been announcing that they are Slovenes in terms of their political convictions.

I have never accepted this logic, Suvar said. It is unacceptable until we hear some kind of profound analysis of the real historical process. I will now read a commentary: "Unfortunately, many Yugoslavs who were happy with the Slovene initiatives and together with them dreamed about a democratic spring, today feel seriously cheated." Now a question: Is at least part of the historical memory "of what happens to people when they ride the national horses and let their reins loose" preserved?

In contrast to such simplifications which conceal objective contradictions first beneath the uniform of top level democracy and second beneath the specter of general nationalism the processes in this republic should be examined as an element of general Yugoslav contradictions at, relatively speaking, the highest level of the development of society's production forces.

Indeed, the whole situation in the country requires calm analysis without euphoria; an analysis starting from the contrasts and contradictions of this stage of development and taking into consideration to a much larger extent real processes—not fearing the plumage in which they are ideologically decked out—so that the real state of affairs is not concealed and the illusion of change created. This really is a case of a fateful moment for the country and we are in fact still resting, many on national laurels and many, by God, "are setting fire to the roof over their heads and deriving joy from this." Yugoslav communists must offer a program for the self-managing reintegration of Yugoslavia, a program which will see democratization as a means of liberating production forces for the purpose of a freer life for people. The way out for Yugoslavia is only in greater democracy because while we are on the ground of class relations it is that free area of progress which in the modern era is of crucial significance, Stipe Suvar said.

A leadership which is not in a position to open the country to the world and European integration, as well as offer a concept of Yugoslav self-managing integration in new conditions, should go and go as soon as possible. But republican leaderships which think of developing isolated states, isolated economies, and isolated cultures and who only wave national flags will not and cannot be any kind of holy object on the altar of these ostensible national interests. They cannot, above all, because of the nations which are imbued with etatism, be the area for a struggle for power and in which national bureaucracies would fight "like cocks before European Aeropaguses."

The only people who can change the situation are in fact those who create surplus value, both white and blue collar workers. The system should open up for them and offer them as much room as possible for freedom and initiative.

The LCY does not have a future without a creative intelligentsia and an innovative and educated working class. It can only be modern in an illusory and temporary way, governing in fact as an old-fashioned king, Suvar said.

The events connected with our all-people's defense and the Yugoslav People's Army (YPA) are at the center of the current situation in Solvenia and are creating loud reverberations in Yugoslavia. In February the public attacks on the YPA, with their epicenter right here in Solvenia, became more frequent and were accompanied by messages to the effect that it has interventionist ambitions. It was called a force which could ostensibly impede democratization and is threatening those democratic processes and initiatives which are already open.

If the public is sensitive about anything, then it is our Army, born in blood from the depths and breadth of the antifascist and national liberation struggle. It has always been and will always remain a Yugoslav people's army; it has been and will remain a force which is ready and capable of guaranteeing, in the event of any danger and as the first detachment of the armed people, the territorial integrity of our country, the freedom of all its nations and nationalities, its federal system, and its nonbloc position and policy. Our people, regardless of their political and ideological convictions and regardless of their national and confessional affiliation, the vast majority of them not only do not approve of the Army being slandered but also demand that such (? attempts) be condemned and thwarted, Stipe Suvar stressed. This is why the public throughout the country was alarmed. The SFRY Presidency as well as the LCY Central Committee Presidium, along with the corresponding bodies of the Federal Assembly and the leadership of other socio-political organizations—accompanied by many protests at various levels of social organization, including certainly in Slovenia—were justified in reacting to the outbursts and provocation. The aim of these outbursts was and remains the compromising of the YPA and the sowing of doubt and distrust within it, above all among the young generation.

The assessment, he said, that the public statements by our highest state organs hindered rather than helped our socialist factors to oppose these phenomena on the spot and to force their exponents into the open cannot be accepted. On the contrary, the criticism directed at our leaders from all over the country that they reacted late and insufficiently resolutely, is justified.

In the meantime, according to Suvar, the attacks on the YPA and on our system of all-people's defense and social self-protection not only have not waned but have escalated to very dangerous proportions. Throughout the country today bitterness prevails that something like this is possible and that our organized socialist forces are not succeeding in the right ways, by using the methods of open ideological and political struggle—without playing hide and seek—and by relying on the right mood of the vast majority of people and of "ordinary" people in ending these phenomena.

The anxiety has spread, he continued, that either this does not want to be done or cannot be done. The more than absurd and more than malicious rumor about a

military coup in Slovenia, as well as various other rumors launched in the wake of such a rumor, and much of what has begun to happen on the streets, despite the control of our organized socialist forces, have unfortunately created over the last month a considerably more serious situation and given birth to a real escalation in the accusations levelled at the YPA and the sowing of doubt about its character and role, Suvar said.

It is not a matter, Suvar explained of a public discussion not being allowed on all questions—including the most sensitive ones on all people's defense; the position, financing, and arming of the YPA and about phenomena in its daily life and relations within it. In this respect, the Army has opened itself to society and the public in keeping with the development of the concept of all-people's defense and it is today itself capable of making critical observations. It itself advocates the further democratization and humanization of its functioning and life and relations within itself, as well as relations between it and society. We certainly recognize, however, that every military organization has impassable limits to democratization. All this is one thing, while provocative, intrigue-based criticism of the YPA and criticism designed to compromise the YPA both in the country and abroad, which is not based on facts and which basically is aimed at questioning the nationwide and all-Yugoslav character and role of the YPA, is another.

Individuals and groups can think and assert that we do not need to modernize our Army's weapons, that all healthy males of a certain age should not do military service, and that day to day relations in the Army are repressive (as if a military organization can ever exist without hierarchy, a command structure, reports, and to a certain extent strict regulations). They say nothing relating to national defense, weapons, combat readiness, etc. should be secret. However, if we are a serious, democratic, as well as a civilized society, then we cannot stick our heads in the sand like an ostrich and succumb to anarchist hysteria over the existence of marginal groups by giving them lots of publicity and taking them so seriously that their initiatives and provocative moves begin to incorporate themselves into the policy of organized socialist forces.

Despite the initial agreements between the two great powers on disarmament, which is the hope of mankind, the world continues to arm itself and scientific-technological development, if taken at the global level, is chiefly in the service of the production of weapons and increasing the destructive power of military might. If things are like this, surely we cannot allow the extremely destructive and, if you like, very uncivilized behavior in relation to our Army, its officers and soldiers, its character as a united army of all nations and nationalities, Suvar said.

The antisocialist and nationalist forces know very well what they want to achieve by putting the YPA in particular in the dock because they know that while it is here they cannot demolish socialism or break up Yugoslavia. Furthermore, they are fighting for power and are resorting to a replacement of theses; they are launching a fierce battle for influence over the public, for disturbing the people, and for winning over youth; they are trying to portray themselves as the rescuers of their nation from ostensible threats. They go so far as to spread claims in the most shameless way about our Army being an alien and almost occupying army.

Indicating the inseparable links between the people and their Army created at the time of the partisan war, Suvar said that the current provocation in relation to the YPA and its role is all the more worrying. The provocation should, he said, not only be qualified and its background and possible dangerous consequences pointed out, but it should also be eliminated by clear, open, energetic socialist action, relying on the original sensibilities and dispositions of the essential interests of the Slovene people. This also certainly applies to similar phenomena anywhere else in our Yugoslavia. After all, such provocation is to be found elsewhere in Yugoslavia and has occurred before. All the above-mentioned things burden our intranational relations and install nationalism—Slovene, Croatian, Serbian, Albanian, etc—as real forces and real dangers on our social scene.

There is no Yugoslavia existing on its own as a really equal community unless control by the producers of material and nonmaterial resources over the conditions and fruits of their labor, in terms of their decisionmaking on surplus labor and surplus value, is established. In a profound historical sense, it is only now being established. If this does not proceed, intranational relations are damaged. In fact, over the last 10 years or so they have deteriorated precisely because of the stagnation in the development of production relations on the basis of socialist self-management.

Pressures and demands, mainly from nationalist positions, have grown. They call for revising the social and political system, not leaving a trace of Tito's Yugoslavia. Relations in Yugoslavia are today poisoned precisely because of the tendencies toward disintegration which have grown up, Strip Suvar said. Everyone, or almost everyone, is yelling at someone else in order to upset him and cast doubt on him. Then everyone says the federation is guilty of everything.

Everyone accuses everyone else, and everyone accuses the federation. Everyone says: In our republic great unity and great democracy prevail; our leadership works well; it is excellent and has the support of the people. Elsewhere, the situation is bad; it is excellent and has the support of the people. Elsewhere, the situation is bad; elsewhere Stalinism and nationalism prevail. As for the federation, it does everything badly; in other words, it does not do what it should; its leadership or leaders are incompetent, irresponsible, etc. As if we are all not in the federation and as if we are not all the federation.

If the situation is some republic or province provokes concern in other parts of Yugoslavia, then this is a political fact which should be respected above all by communists and the organized socialist forces in the republic or province, even if this is a matter of incomplete and progressive information and insufficient familiarization with specific circumstances which we must all respect.

In fact, it is not and cannot be a matter of some phenomena in Slovenia in these circumstances either, nor of distrust in communists and the organized socialist forces of Slovenia, nor of pressure on them. No one has the right to this, Suvar said. But everyone in our communist movement (?throughout) Yugoslavia has both the right and duty to "interfere" in this way and express assessments and stances, to try to ensure—in accordance with the principle of democratic centralism—that they are taken into account on the spot.

No one can replace the communists and progressive forces of Slovenia in their role in the Slovene nation. No one can win their battles and no one who has at heart in Yugoslavia the prosperity and socialism in each part of it and among each of our peoples, even thinks of this. Furthermore, we are all working on the same task, throughout the LCY, and we must discuss among ourselves and act together, and at the same time act as required by the specific nature of each environment, but also as the program and statute of the LCY stipulate.

Slovene 'Nationalist Euphoria' Hurting Country

LD2806231988 Belgrade TANJUG Domestic Service in Serbo-Croatian 0917 GMT 28 Jun 88

[Text] Ljubljana, 28 JUN (TANJUG)—At yesterday's whole-day session the members of the Slovene LC Central Committee analyzed in depth and in integrity the present complex political events in the republic and resolutely rejected all kinds of different reproaches by parts of the Yugoslav press, as well as a a proper provocation campaign against Slovenia as an excess territory which is allegedly breaking up Yugoslavia with its counterrevolutionary activity and nationalist euphoria, acting against the development of socialism and the reputation of the Yugoslav People's Army, assessed Boris Dolnicar, director of Ljubljana Radio in today's commentary by this radio station.

The members of the Slovene LC Central Committee, the commentator goes on, also strongly and in a self-critical manner warned of the phenomena which cast a bad light on the intentions of the LC, its leadership and the Slovene people—to deepen democratic processes and political culture together with speedily resolving burning economic and social problems. "For this reason it is of course absurd that this republic should, because of such aims also advocated at previous conferences of the LCY and the Slovene LC, be labelled egotistic and separatist, when it is crystal clear that trust in the LC, its leadership, institutions and policy can only be restored by the overcoming of the serious economic crisis."

"Yesterday's session of the highest organ of the Slovene LC certainly measured the current political temperature in our republic and the whole of Yugoslavia in a realistic way and showed that the temperature was considerably lower than some wanted by all means to show it," stresses Dolnicar, adding that this session rejected in a substantiated way all reproaches with regard to counterrevolution, special war, military coup and mass nationalist movement against Yugoslavia and the YPA. "It would therefore be a good idea now to stop these politcal speculations and fabrications about this part of Yugoslavia and immediately embark on economic reconstruction. People's trust and patience are on edge precisely because of economic and social problems," writes the director of Ljubljana Radio in today's commentary.

Slovene Women Send Letter to Ljubljana General

AU2906080688 Belgrade Domestic Service in Serbo-Croatian 1700 GMT 28 Jun 88

[Text] The conclusions of yesterday's session of the Central Committee of the LC of Slovenia were published today. These conclusions clearly and precisely describe the nature of the political situation in Slovenia and sharply reject the assessments of counterrevolution and special war against the Yugoslav People's Army. The precision of them is also helpful in view of the need for them to be implemented as quickly as possible. Bozidar Djuran reports from Ljubljana:

The speech by Milan Kucan, president of the Presidium of the Central Committee of the LC of Slovenia, yesterday provided to the disturbed public in Slovenia and in Yugoslavia a long-awaited explanation of the attribution of some shorthand notes that were circulating in Ljubljana for months and that showed strong opposition to the so-called preparations for a military coup. Kucan said yesterday that the notes were part of his speech at the session of the LCY Central Committee Presidium and that he did not know how the document was leaked.

In any case, this is another episode within the wider context of the raised temperature of public opinion in Slovenia, which is (?getting more fuel) today. This morning's DELO carries a letter to Colonel General Svetozar Visnjic, commander of the Ljubljana Army Region, signed on behalf of the Committee for the Protection of Human Rights by Spomenka Hribar, Alenka Puhar, and Vesna Kerzan. They say in the letter that the three of them, and some 40 other women, between Friday 17 June and Tuesday 21 June, in groups of three that changed every 2 hours, waited in front of the 4 July Barracks to be received by General Visnjic. They wanted to present to him a letter from this committee. The letter

was also handed to Janez Stanovnik, president of the Presidency of Slovenia, to Miran Potrc, president of the Slovene Assembly, and to Milan Kucan, president of the Slovene LC.

The letter says, among other things, that they wanted to inform the general that they regret the misunderstandings that occurred between civilians and soldiers in Slovenia, sincerely wishing that soldiers in this republic feel at home. The letter also conveys their concern at the military juridical organs taking a part in deciding on questions of civilian persons' life. In conclusion they wanted General Visnjic to make a moral promise that the detainees Jansa, Tasic, and Borstner will be treated humanely.

Here are some more details. While I am reporting, the Slovene Writers Association have convened a Yugoslav Writers' Solidarity Evening for 1900 at Cankar Hall, Ljubljana. This literary gathering will be held as part of extraordinary (?protest evenings), and it has been announced that Ivan Aralica, Dobrica Cosic, (?Djogo), (Bogumil Tuzelj), Vlado Gotovac, [three names indistinct], and Petar Segedin are to take part. It is also to be expected that at the session of the Slovene Youth Presidium tomorrow, some dilemmas and uncertainties about the (?election) of the next president of the youth organization will be eliminated. Let us recall that Janez Jansa is one of the candidates, and he is at the moment detained in custody. Proposals are heard in the Slovene youth organization that the question of the president's election should be postponed.

Military Court Rejects Jansa Group Appeal

LD0707175588 Zagreb Domestic Service in Serbo-Croatian 1700 GMT 7 Jul 88

[Text] We have just learned that Ljubljana radio is reporting that the Supreme Military Court in Belgrade has rejected the appeals of Borstner, Tasic, and Jansa. The three had appealed the decision of the Military Court Senate in Ljubljana to extend their detention until the main hearing ends. For this reason, the Committee for the Protection of Human Rights has demanded talks with Janez Stanovnik, president of the Slovene Presidency, who will be asked tomorrow to publicly assess the situation and explain what the Slovene Presidency will do in this connection.

Human Rights Committee To Complain

AU0707144488 Ljubljana Domestic Service in Slovene 1330 GMT 7 Jul 88

[Text] The Human Rights Protection Committee—which according to the latest data has been joined by over 56,000 individuals and over 500 organizations—reports that the Supreme Military Court in Belgrade has rejected the appeal of the detained persons [Jansa, Borstner, and Tasic] against the extension of their detention. The committee believes that the entire procedure has been conducted contrary to the demands of the public and the positions and conclusions of the highest political organs and organs of authority in the SR of Slovenia.

Tomorrow, a delegation of the committee will therefore pay a call on Janez Stanovnik, president of the Presidency of Slovenia, and it has also requested to be received by Miran Potrc and Joze Smole.

Belgrade Youth Implicates Some Slovene Officials

AU0107130688 Ljubljana Domestic Service in Slovene 2000 GMT 30 Jun 88

[Text] A session of the Presidium of the Belgrade Socialist Youth Conference today discussed the ideopolitical essence of the attacks on the Yugoslav People's Army. Zoran Lazarevic, secretary of the Presidium, in his opening report said that these attacks are certainly no longer inspired by ideas about demilitarization and democratization of the Army, but are a case of rejecting the Yugoslav spirit in name and in the spirit known by the Army.

The events in Slovenia were of course discussed. Lazarevic also mentioned the editorial policy of Ljubljana MLADINA which in his opinion does not do honor to youth journalism and journalism in general.

It would be naive to believe that the chief actors of these events are youths and students. The strategic plans for anti-Army activities of this kind are formulated, according to Lazarevic, in private offices of certain officials.

[Belgrade Domestic Service in Serbo-Croatian at 2000 GMT on 30 June also carries a 1-minute report on the session of the Belgrade Youth Presidium, but does not mention the allegation about strategic plans for the attacks on the Army being formulated in private offices of certain officials.]

Army Attitudes of 'Untouchability,' on Democracy

AU0707165788 Belgrade POLITIKA in Serbo-Croatian 27 Jun 88 p 8

[Gaja Petkovic commentary: "The Army and Democracy"]

[Text] For 2 years, some of the creators and exponents of the so-called new democratic wave in our country have been persuading us through their aggressive behavior that even a lie can be a pernicious kind of violence. With a force stronger than any argument, they most often state their interpretation of free speech and democracy through the biased and tendentious treatment of many current social issues. Our Army and the attitudes in it often occupy one of the most prominent positions in these considerations.

In the one-way polemicizing about the Army and its "untouchability," some of the fighters for this sort of "democratic dialogue" simply compete to see who will invent the more loathsome lie about the Yugoslav People's Army. It seems to us that Braco Rotar has gone the farthest in this. Talking about its status in society and about relations within the Army organization, he ostentatiously asks this sort of question: "How does the citizen of this state explain to himself the untouchability and omnipotence of this institution (the Army) and its insatiable appetites, which are nevertheless above criticism, and its self-willed encroachment on the life of citizens at all possible levels, from the stream of life itself to the most intimate areas?"

According to such logic, this means that our Army is a state within a state; the SFRY Constitution does not hold it to anything; it can command this country; it can oppress people's lives; and it can rule the roost. Its attitudes to society and the citizen, as well as those within it, are such that one man is only the means which another can manipulate according to his own intentions and needs. All humane, democratic, and civilized values are worthless to it.

It is not necessary to be very wise or insightful to feel how the MLADINA commentator, one of the most vocal members of the council for the defense of Jansa's innocence, puts to use deceits and untruths. Only a little logic is necessary for such a thing. He puts forward such comments about the Army, saying that its activities and behavior are "beyond the reach of any kind of social criticism and control," and that it would be difficult to attribute these to any army in the world today. Except, of course, when this involves the small number of dictatorial regimes. He even says such things in our "undemocratic" press without being punished for it. He is objectively unable to corroborate his ideological comment with any kind of worthy argument. Of course, without reasoned argument there is no democratic dialogue. Real democracy is possible only where people honestly search for the truth. It is a dialogue between dignified and moral personalities; the public expression of thought by free citizens. It is not, and has never been, an empty frame into which everybody could stuff anything they wanted. If democracy does have shortcomings, and obviously the democracy in our country still has some, then it would not be bad to recall the political philosophy of the old, and in his time universally respected, Tomas Mazaryk: "We must overcome the shortcomings in a democracy, and not eliminate the democracy." Rotar and similar verbal oppressors have in fact destroyed it.

A socialist self-managing society like ours needs a democracy which truly corresponds to these characteristics—socialism and self-management. Such a democracy, to the degree to which this is objectively possible, is also applicable to our Armed Forces, as well as all people's defense as a whole.

Considering the fact that the Army is a constituent part of society that is carrying out specific and responsible tasks according to the needs of that society, the democratization of attitudes in it depends on the level of the whole development of self-management in the country and the capabilities which the nature of the military organization requires. And if the process of social democratization in our country has increasingly quickly and noticeably been finding fertile ground in the ranks of the Army, and especially in the field of sociopolitical activity, interpersonal relations, educational-training work, and the humanization of military life, and in normative-legal practise, the fact is that democratic decisionmaking in the army organization is limited to that work and to those tasks which could realistically be the object of such a solution: to that work, therefore, which does not threaten the principles of single command and subordination, on which every army organization is founded. Decisionmaking on purely military issues must be specified so that it safely ensures that these tasks are carried out precisely, responsibly, and in an organized and disciplined way. In any case, there is no real contradiction between freedom and discipline: It exists only between anarchic and legal freedom, and between penitent and conscious discipline. Finally, if one day there is no war nor army, then the two basic army values will not be superfluous: discipline and responsibility. Therefore, they are not in an antagonistic relationship with democracy. On the contrary, they are closely linked with it and we need them today, as we need democracy, in many areas of our social life.

Our Armed Forces, which are under the constant control and supervision of society, as set down in the Constitution and the appropriate laws, are responsibly and conscientiously carrying out their military-specialist and other duties, which have been entrusted to them by society. In the same way, a long time ago the sphere of all people's defense in our country ceased to be the exclusive obligation of the state, political, and military leadership. It finds its most democratic expression in its own socialization [podrustvljavanje], and this process, which has been going on for decades already, is being constantly improved. Whether the level of this socialization and the rate of improvement of the concept of all-people's defense is equal to our objective needs and wishes, is not, of course, a subject to be considered in this commentary.